

CPA Australia Asia-Pacific Small Business Survey 2025-26

CPA Australia's 17th annual report on small business issues and sentiment across eleven economies in the Asia-Pacific



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About CPA Australia

CPA Australia is one of the largest professional accounting bodies in the world, with more than 176,000 members in over 100 countries and region.

CPA Australia provides thought leadership on local, national and international issues affecting the accounting profession, the broader business community and the public interest. We engage with governments, regulators and industries to advocate policies that stimulate sustainable economic growth and have positive business and public outcomes.

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Survey design and methodology

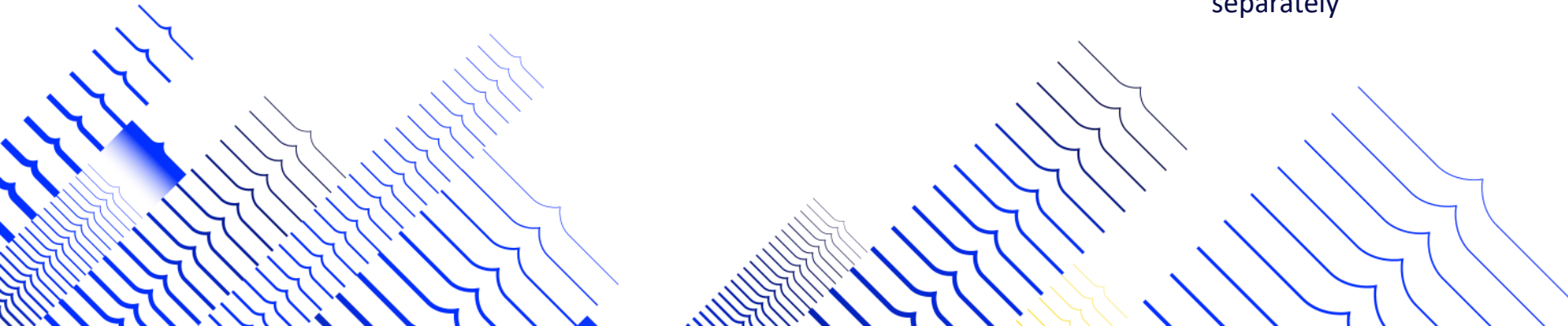
Online survey conducted amongst a random sample of small business /senior managers from organisations with fewer than 20 employees

The survey was conducted in November and December 2025.

The findings for the survey come from **4,166 small businesses** in **11 markets** across Australia, Chinese Mainland, Hong Kong, India, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Vietnam. From the commencement of the survey in 2009, we have surveyed over 50,000 small businesses across the region

There were 436 respondents from Australia, 751 from Chinese Mainland, 305 from Hong Kong, 513 from India, 311 from Indonesia, 310 from Malaysia, 309 from New Zealand, 302 from the Philippines, 308 from Singapore, 311 from Taiwan and 310 from Vietnam

For the purposes of this report, data collected from the Chinese Mainland, Hong Kong and Taiwan are shown separately



Executive summary

The survey highlights the persistent key differences between high-growth small businesses and the rest across the Asia-Pacific region. Technology remains a key differentiator. High-growth small businesses are more likely to invest in technology, sell online, embrace digital payments, and use social media for customer insights rather than visibility alone. They are also more innovative, more active in entering new markets, and more inclined to seek professional advice.

AI adoption has accelerated rapidly. High-growth firms are leading this transition, often pairing AI investment with expert advice to support effective integration into business operations.

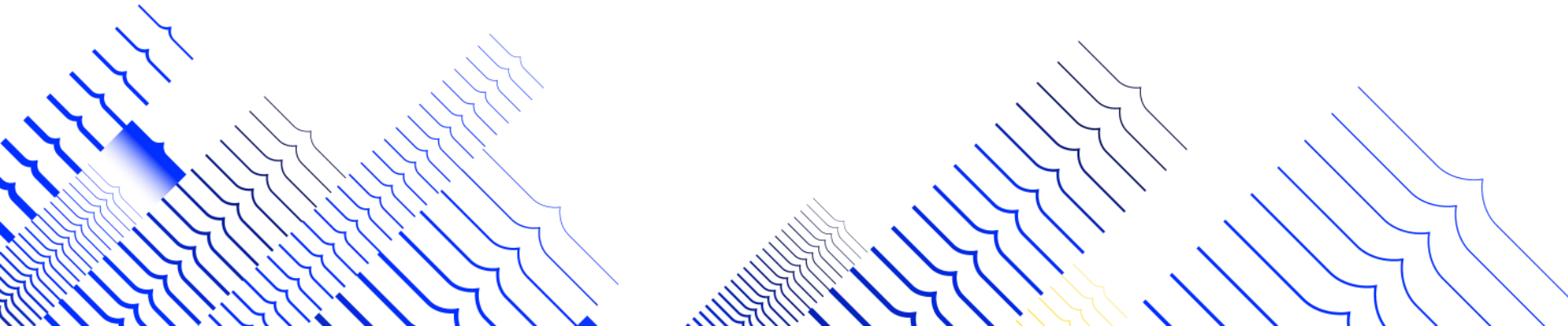
Cybersecurity remains a key risk. While high-growth businesses are strengthening their cyber defences, older and smaller firms continue to lag, leaving them more exposed as digital reliance deepens across the region.

High growth businesses also place greater emphasis on improving business strategy, management capability and customer satisfaction.

Younger business owners play a particularly important role in business dynamism, productivity and job creation, as they are consistently more likely to run growing businesses that innovate, adopt technologies and explore new markets, regardless of how long the business has been established.

Looking ahead, growth expectations for 2026 are broadly positive. In most markets, a higher proportion of small businesses expect to grow than achieved growth in 2025. However, given the survey was conducted prior to the most recent geopolitical developments and energy market disruptions, the sentiment data should be interpreted with this timing and heightened uncertainty in mind.

Overall, the findings underscore that small businesses which systematically invest in technology, build structured strategic capability and draw on professional advisory networks consistently achieve stronger outcomes than those that do not.



Key findings



Across most markets, the share of small businesses expecting to grow in 2026 exceeds the share that grew in 2025



Most markets recorded an increase in the number of small businesses that grew in 2025 compared with 2024



Younger business owners remain significantly more likely to run growing small businesses



High growth small businesses are increasingly investing into AI and using it as a source of business advice



High-growth businesses are far more likely to focus on improving business strategy, business management, and customer satisfaction



Technology continues to play a more critical role for high-growth small businesses than for other businesses



Rising costs are the most cited challenge across all markets

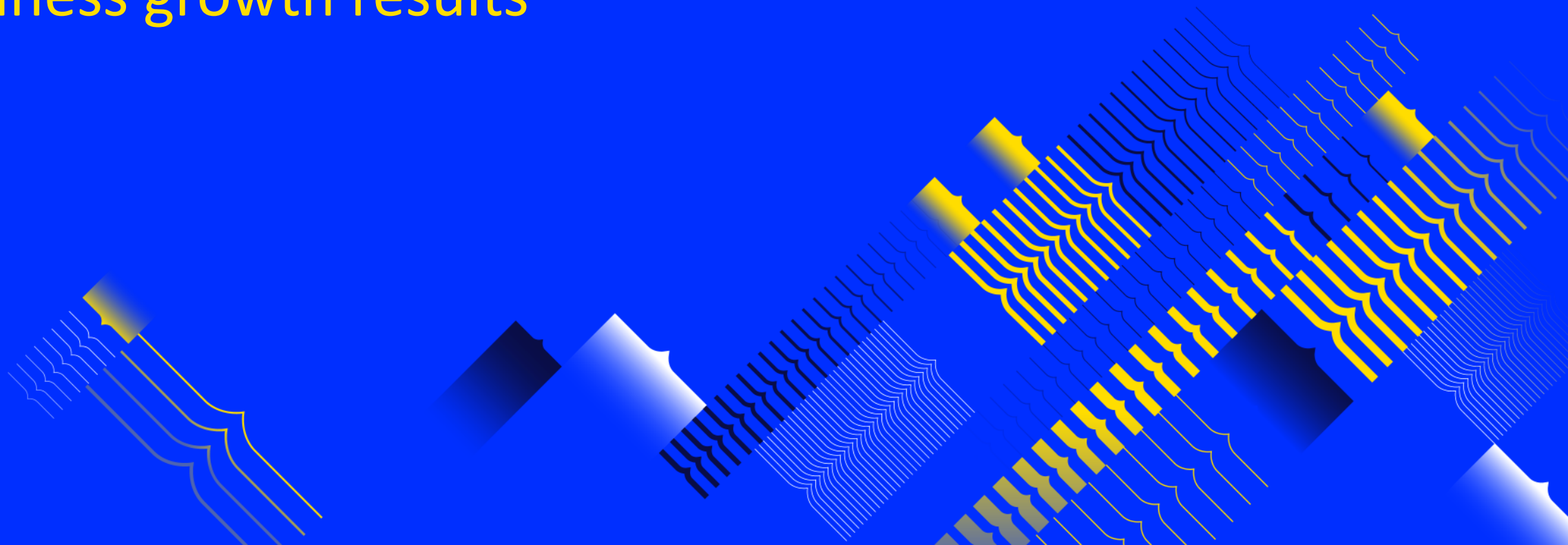


Nearly half of small businesses have no succession or exit plan



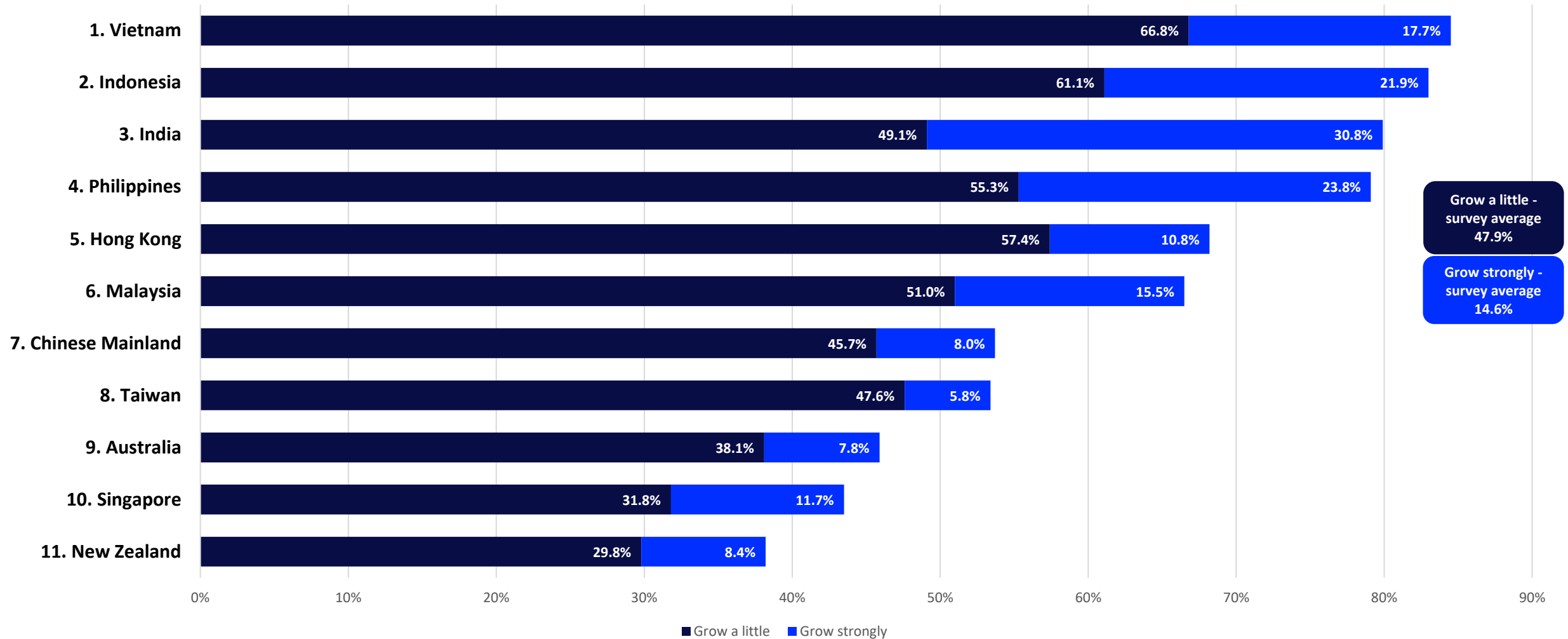
Small businesses in developing markets display greater risk appetite than those in developed markets

Business growth results



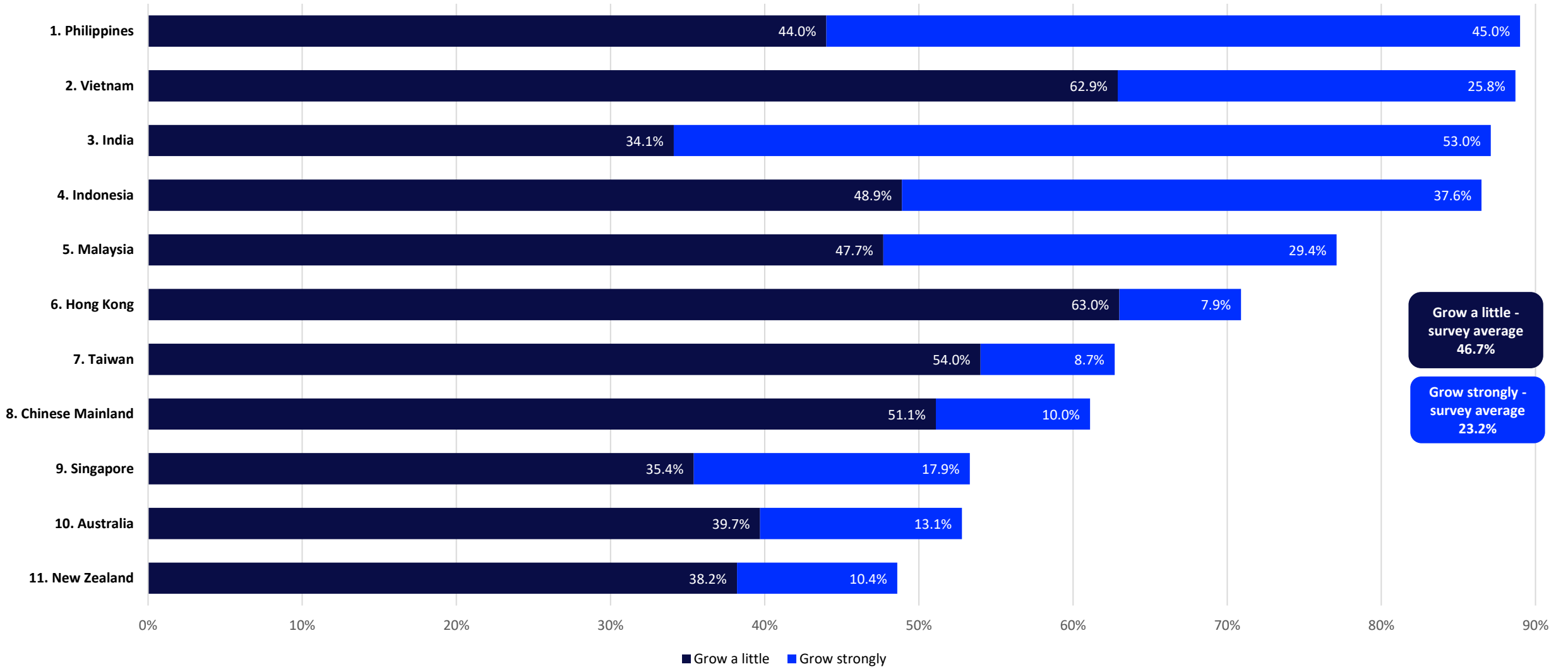
Small business conditions in 2025 were highly favourable in Vietnam, Indonesia, India and the Philippines, but significantly weaker in New Zealand, Singapore and Australia

Small businesses that reported growing in 2025 – by market



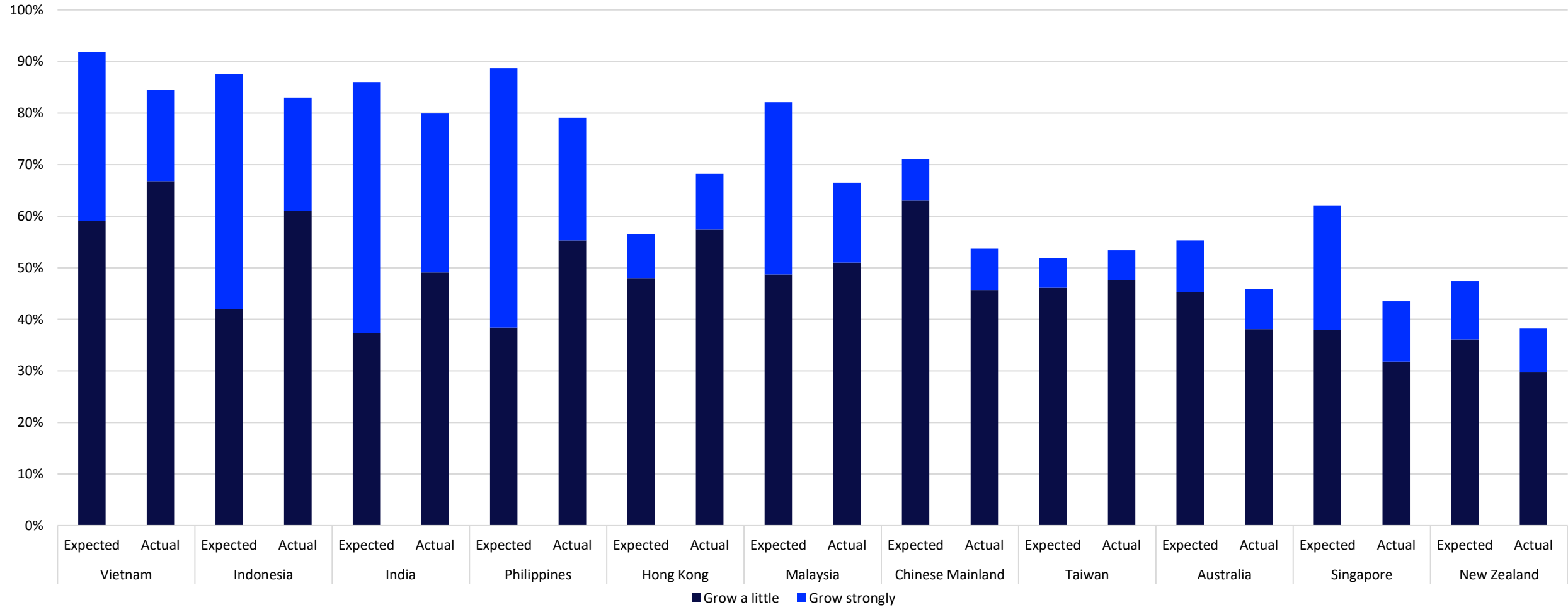
Small businesses across the region expect 2026 to be a stronger year than 2025

Small businesses that expect to grow in 2026 – by market



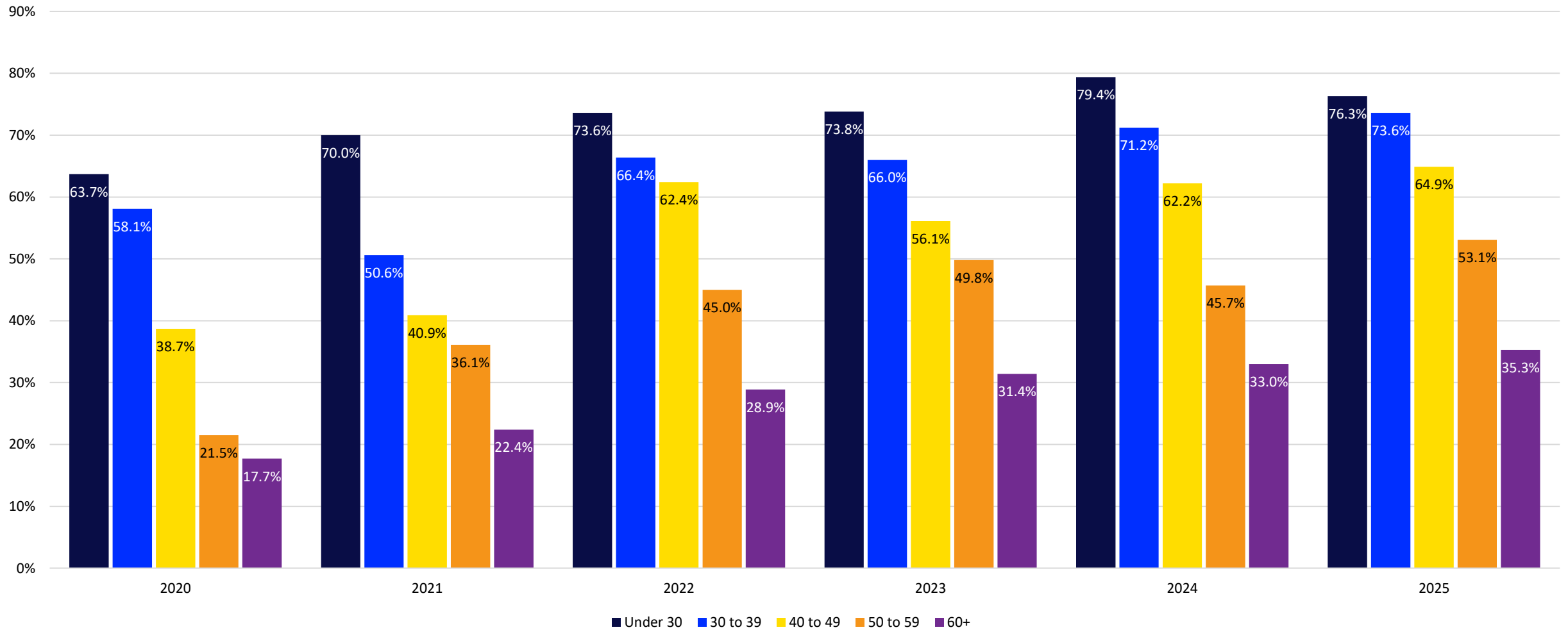
Hong Kong and Taiwan were the only markets to outperform expectations in 2025

Reported versus expected growth for 2025 – by market

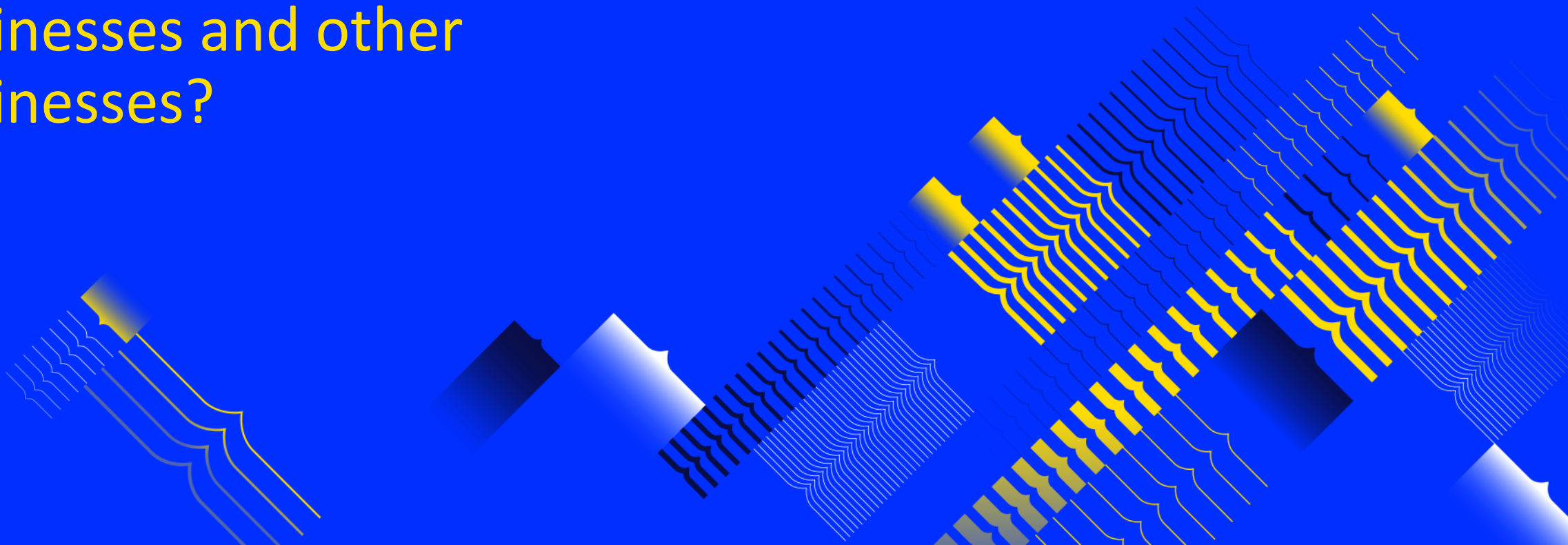


Younger business owners remain significantly more likely to own growing small businesses

Small businesses that grew in past 12 months – by age of business owner and over time



What are the key differences between high-growth small businesses and other businesses?



High-growth small businesses are more likely than other businesses to:

Make online sales

Receive sales through payment technologies such as PayPal, WeChat Pay and Buy Now Pay Later services

Use social media for a range of purposes including promoting the business and gaining customer insights

Make technology investments that deliver rapid improvements in profitability

Focus on improving business strategy, business management, and customer satisfaction

Innovate through the introduction of new products, services or processes

Expand into overseas markets

Seek professional advice, especially from IT consultants and business consultants

Protect their business from cyberattacks

Have owners younger than 50

Been operating between 5 to 20 years

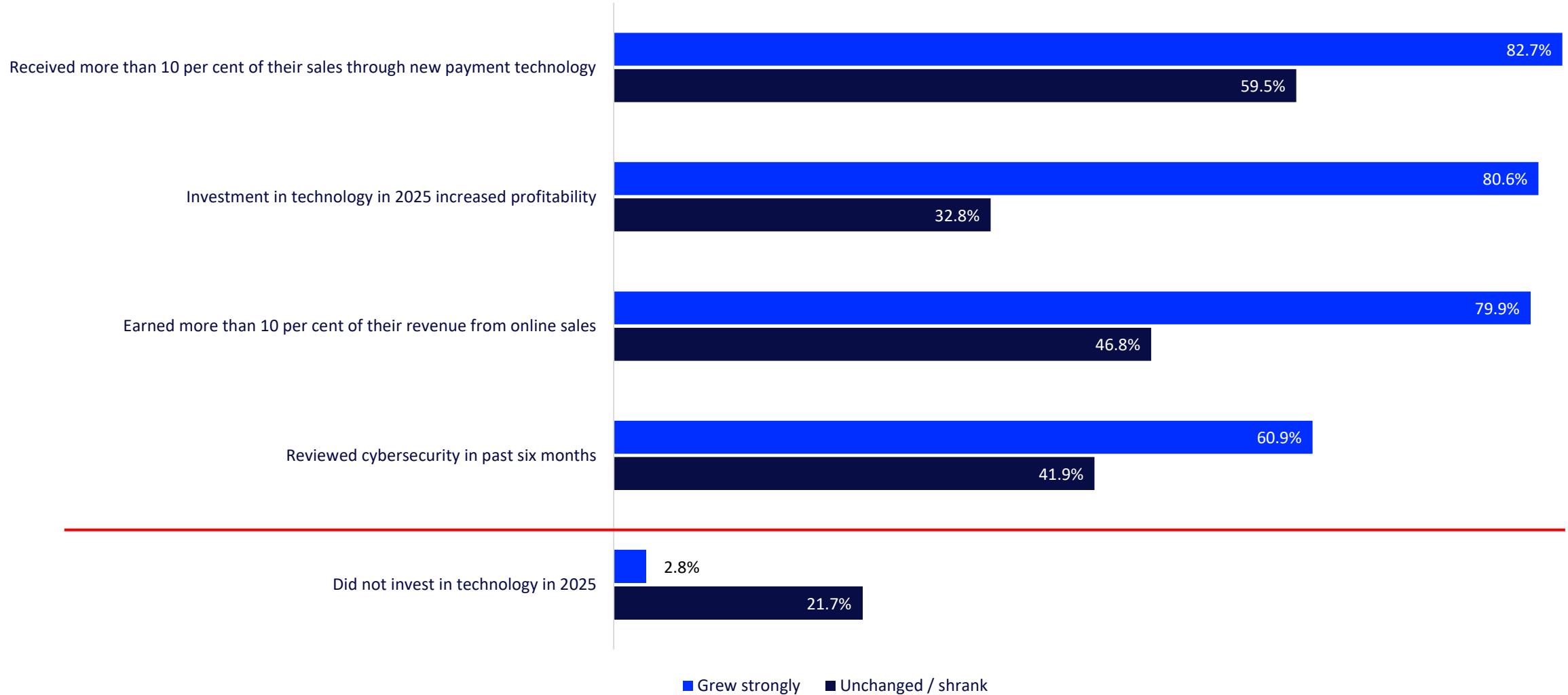
Have between 10 to 19 employees

Be operating in developing markets such as Vietnam, Indonesia, India and the Philippines

Be in logistics, healthcare and finance sectors

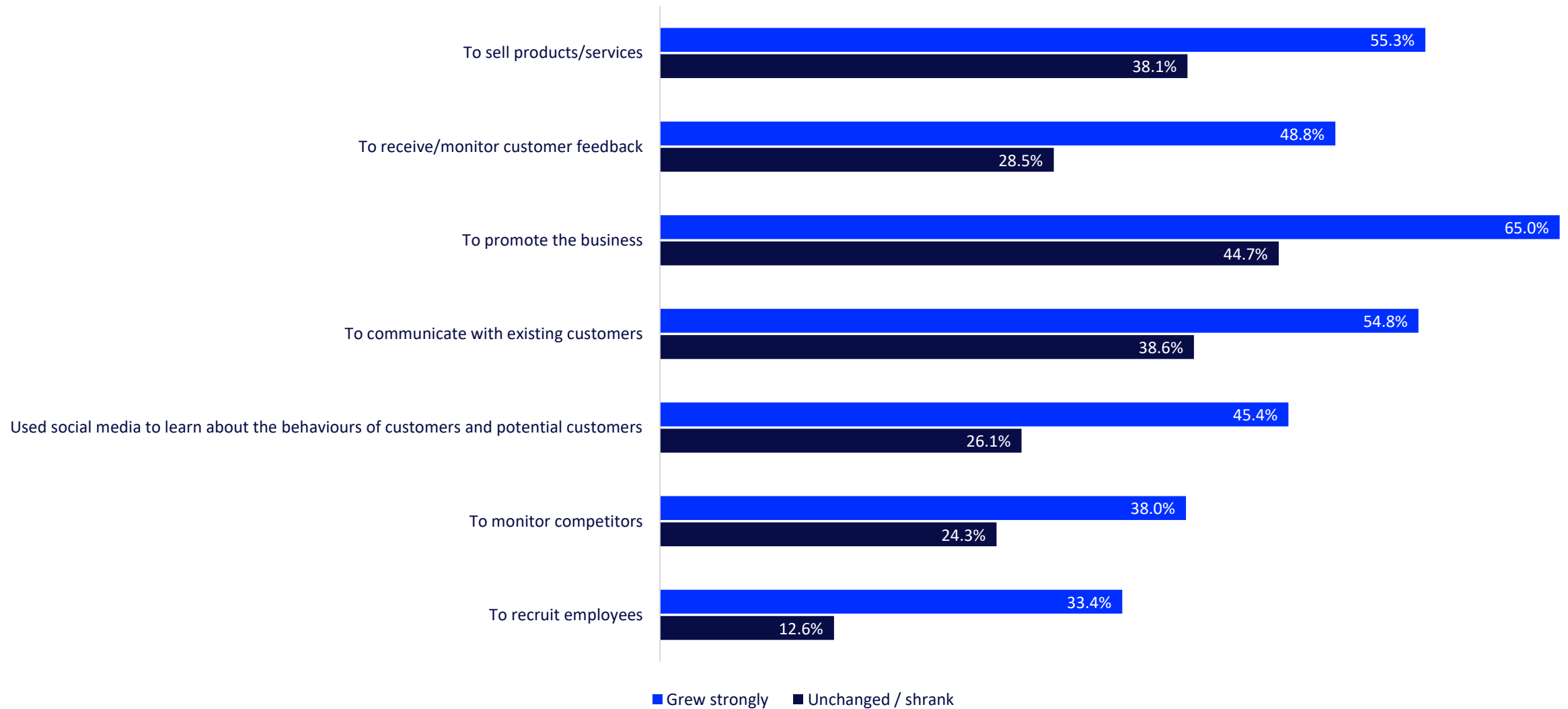
Technology continues to be more critical to high-growth businesses than other businesses

Technology uptake by high growth businesses compared to those not growing



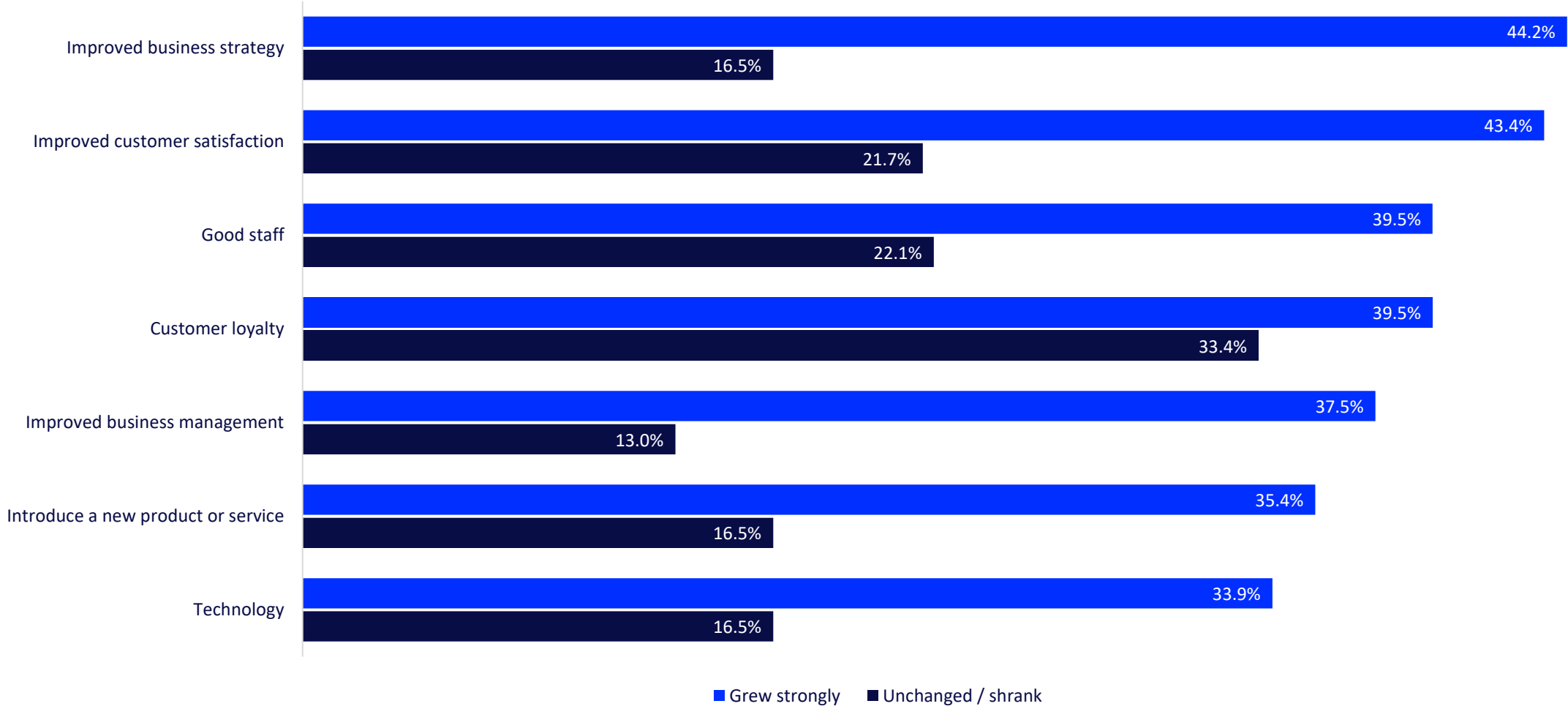
Using social media in different ways is more important for high growth businesses

Social media use by high growth businesses compared to those not growing

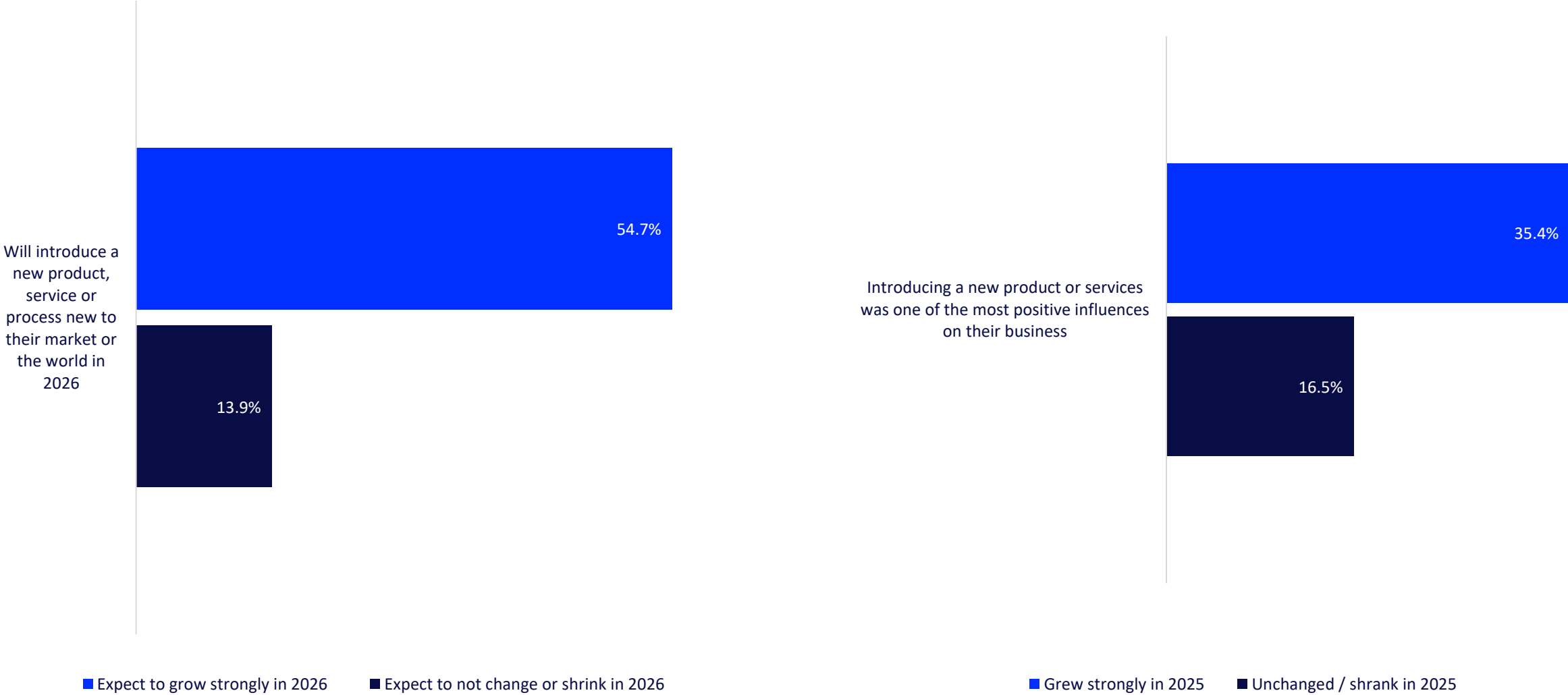


High growth businesses focus more strongly on improving business strategy, management and customer satisfaction than other businesses

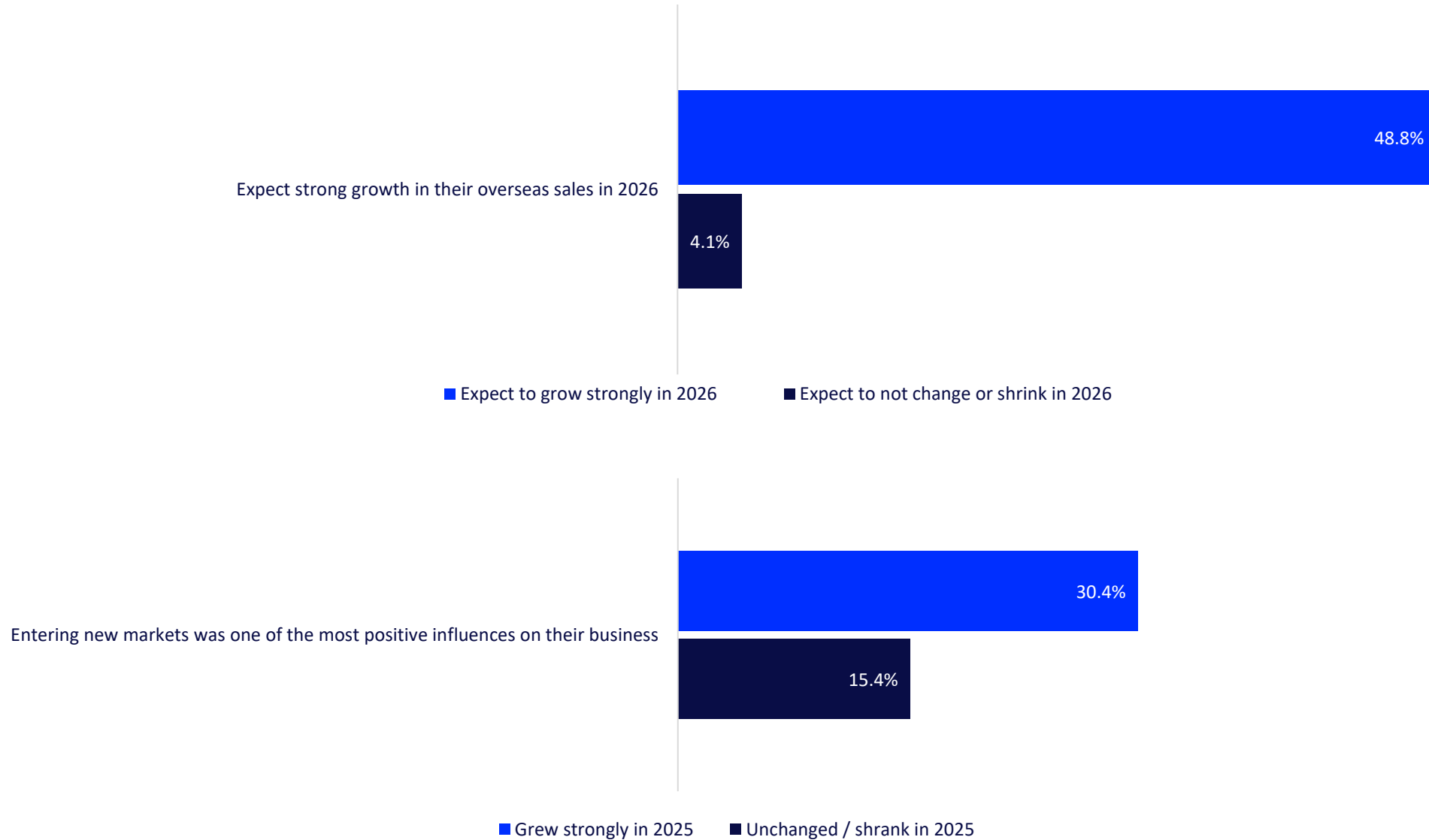
Focus areas of high growth businesses compared to those not growing



High growth businesses are significantly more likely to innovate

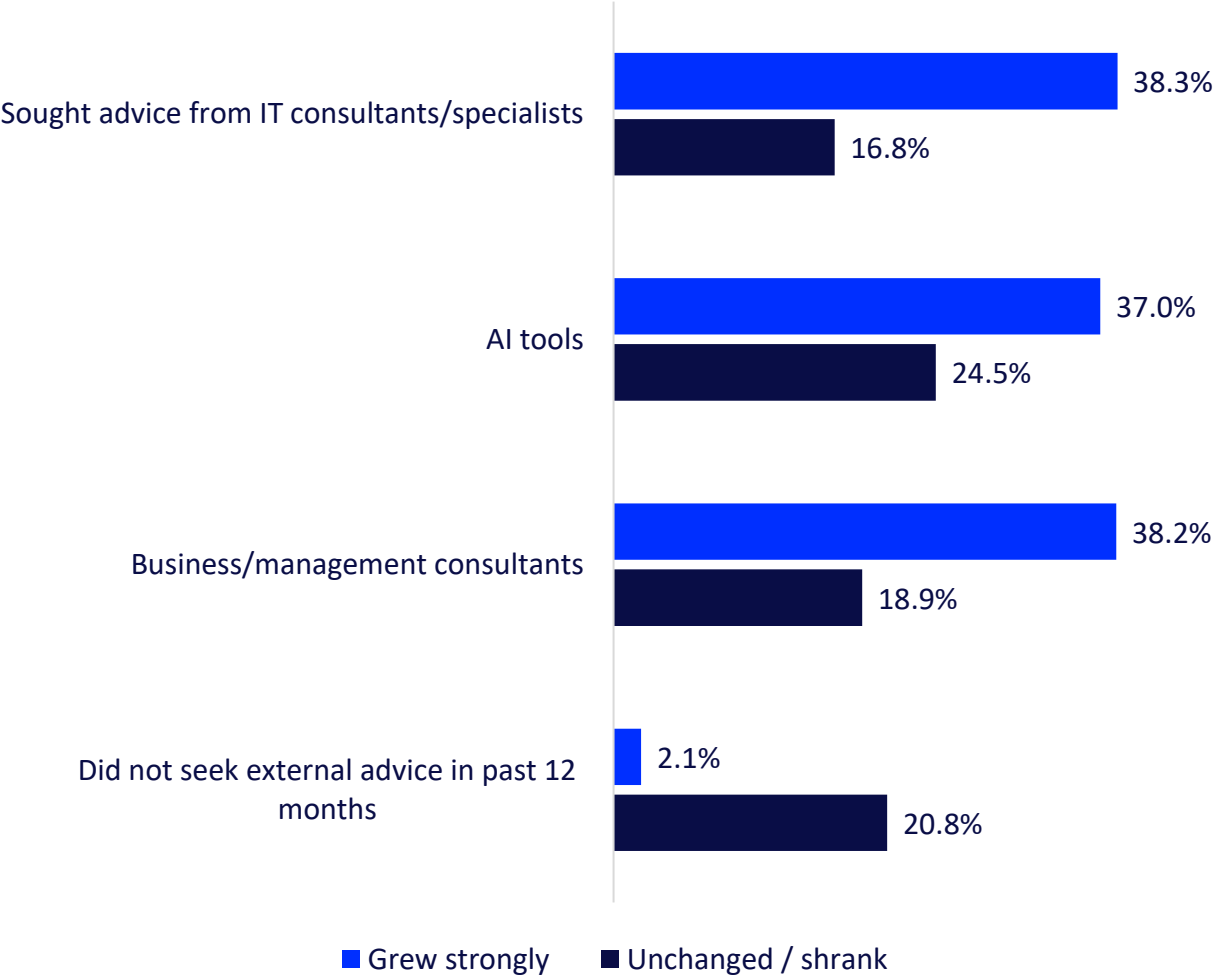


High-growth small businesses are significantly more likely to expect strong growth in overseas sales in 2026

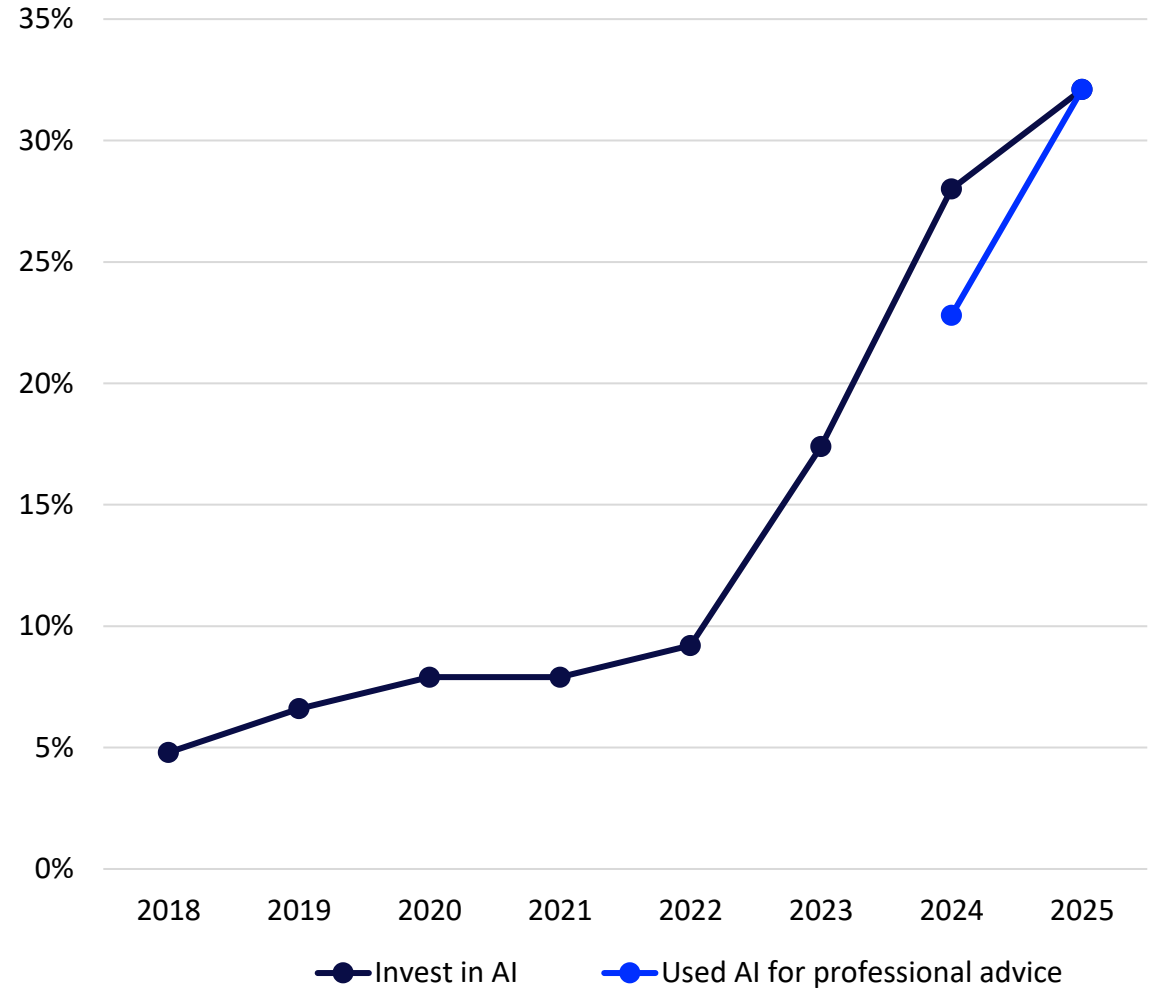


In 2025, AI tools increasingly featured as both a source of advice and a focus of investment among small businesses

Major sources of advice for high growth businesses in 2025 compared to those and those not growing

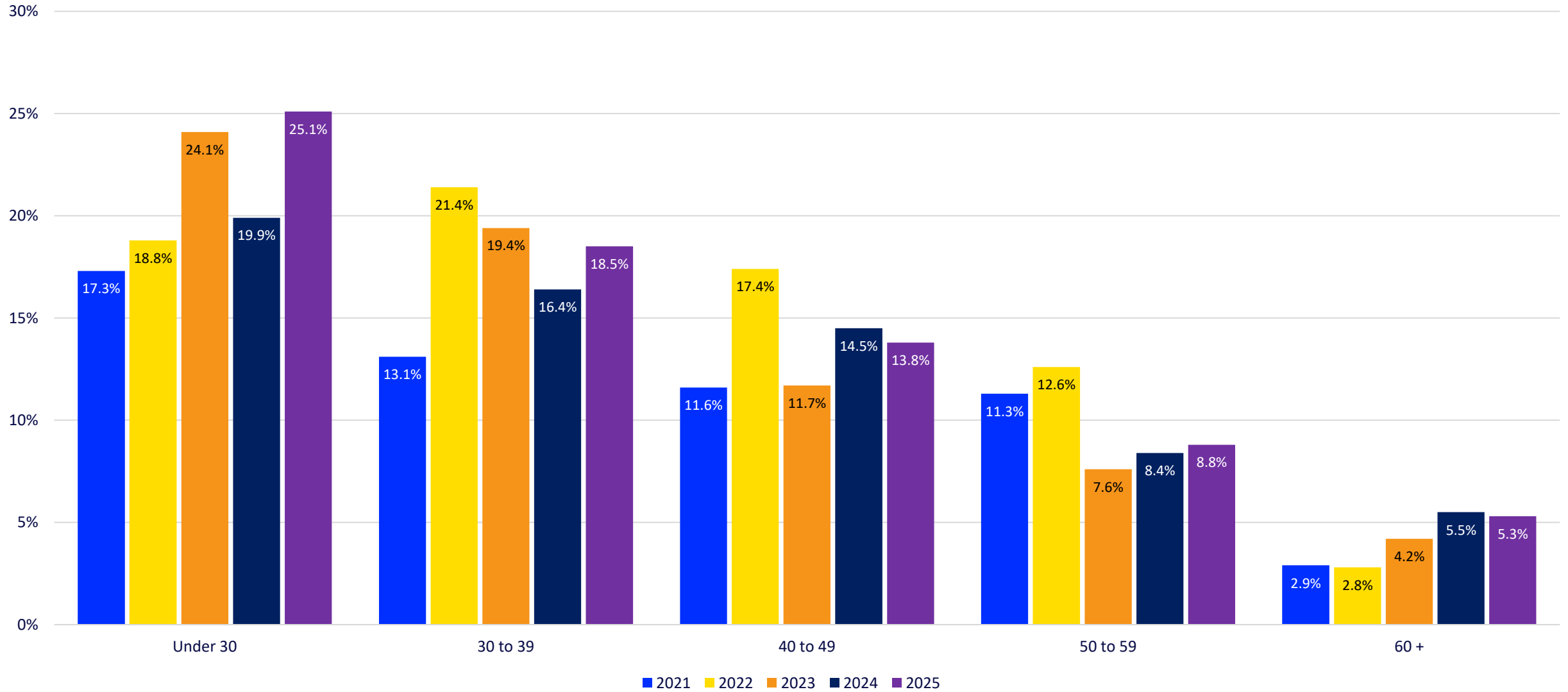


Percentage of business who invested heavily in AI and sought advice from AI over time



Younger business owners are more likely to report strong growth

Small businesses that grew strongly – by age of business owner and over time



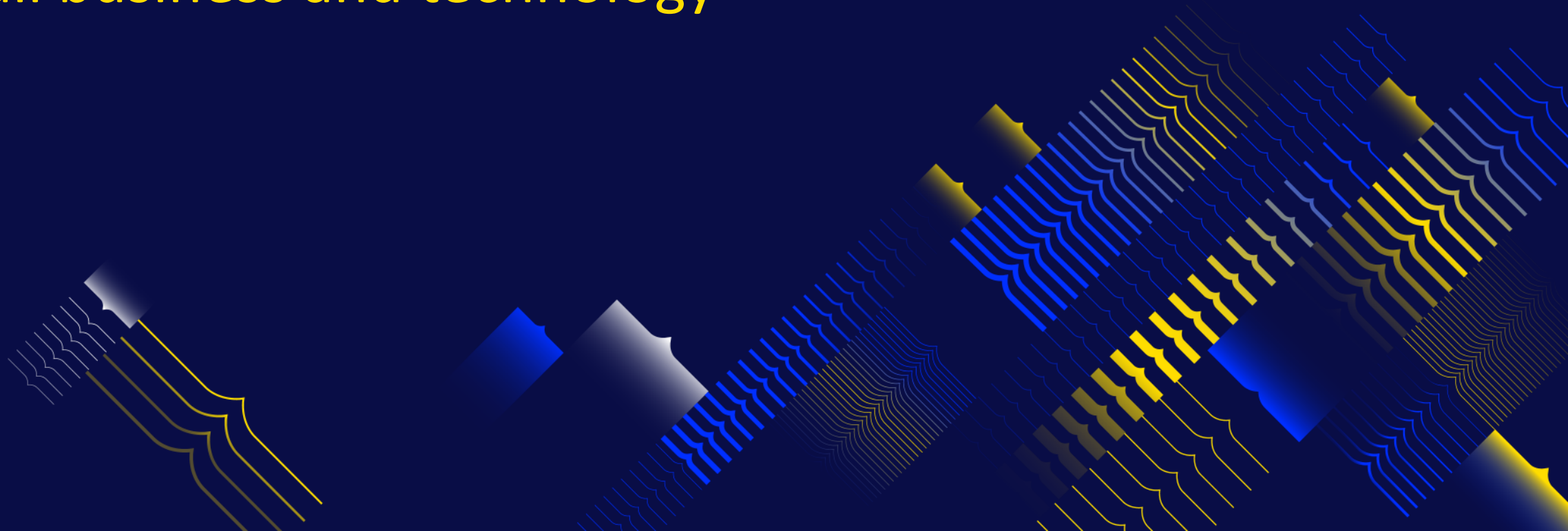
Top five industries with the most high-growth small businesses in 2025

1. Transport and warehousing – 23.6%
2. Healthcare and social assistance – 21.7%
3. Banking, finance or insurance – 21.4%
4. Property and construction – 17.9%
5. Rental, hiring and real estate services – 17.4%

Top five industries with the most small businesses that were unchanged or shrank in 2025

1. Arts and recreation services – 51.1%
2. Professional, scientific and technical services – 46.2%
3. Education and training – 41.2%
4. Retail trade – 40.4%
5. Administrative and support services – 38.8%

Small business and technology

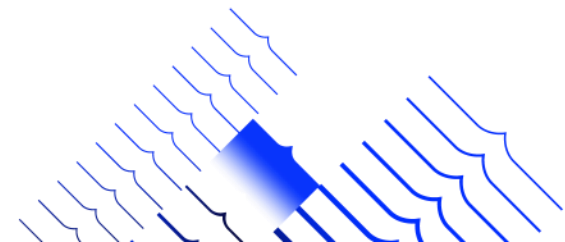
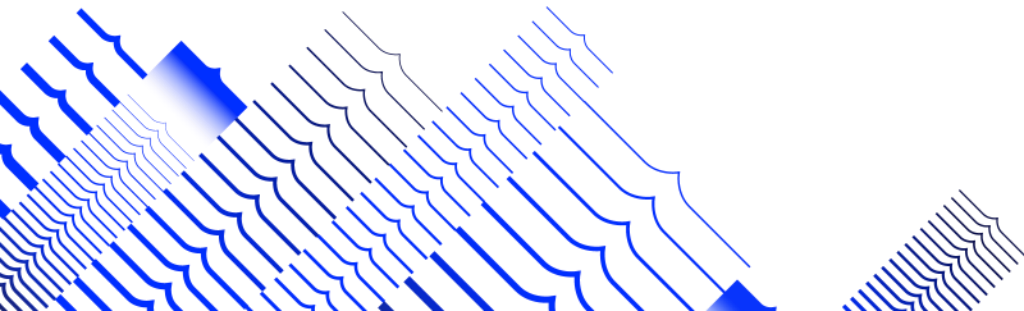


IMPACT OF TECHNOLOGY ON PROFITABILITY

The background features a complex pattern of wavy, parallel lines in shades of blue and yellow, creating a sense of depth and movement. Several semi-transparent, overlapping geometric shapes, including squares and rectangles, are scattered across the composition, adding to the abstract aesthetic.

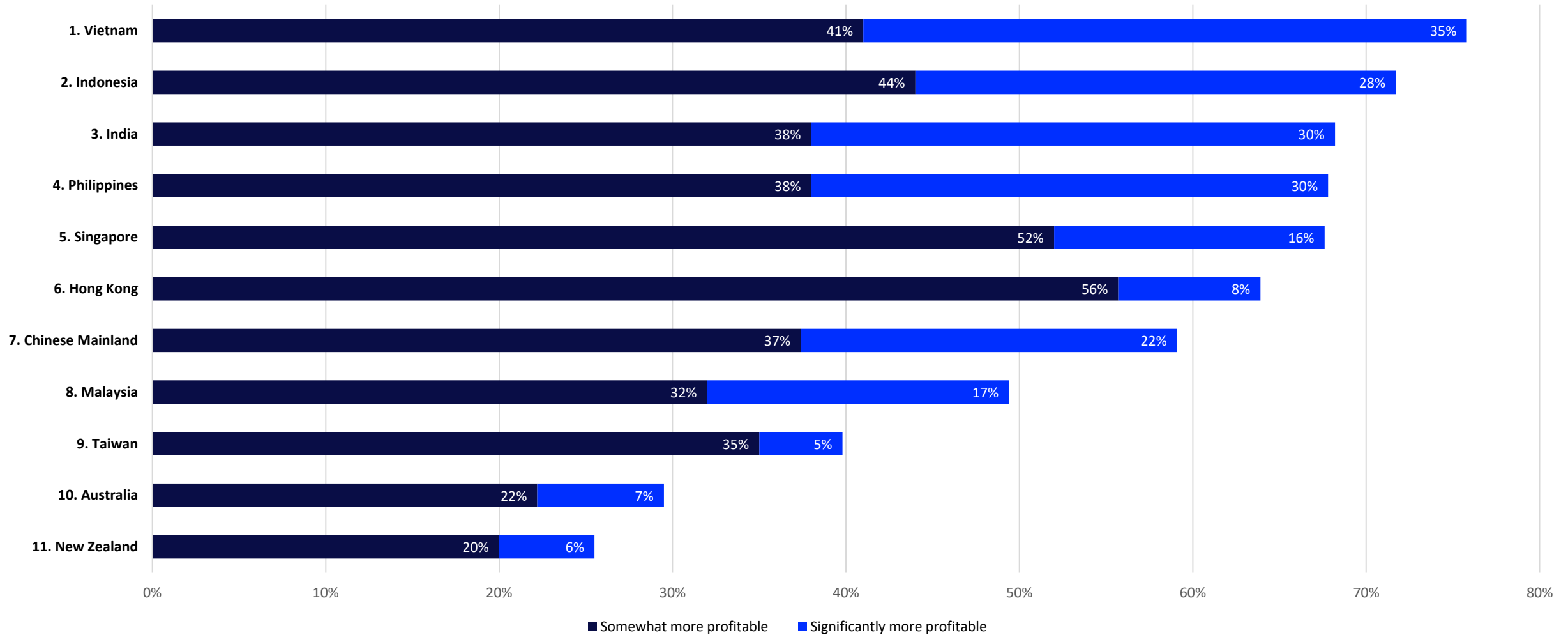
Impact of technology on profitability in 2025

- High growth businesses remain far more likely than other businesses to make technology investments that deliver rapid improvements in profitability
- Vietnam's small businesses were the most likely to report that their technology investments in 2025 improved profitability, and were also the most likely to say these investments significantly improved profitability.
- By contrast, Australian and New Zealand small businesses were once again the least likely to report profitability gains from their 2025 technology investments. Given their relatively low technology adoption rates and older business and owner profiles, this result is unsurprising.
- Older business owners, older businesses and micro businesses remain significantly less likely to invest in technology that improves profitability. This likely reflects limited awareness of suitable technology options and uncertainty about how best to apply them within their businesses.
- With small business owner populations ageing in several markets, there may be an opportunity for technology providers to better tailor products and services to older business owners. Governments may also have a role in providing more independent information on technology options available to older businesses.
- The results underscore the increasing importance of AI among high-growth small businesses and in markets characterised by stronger growth.



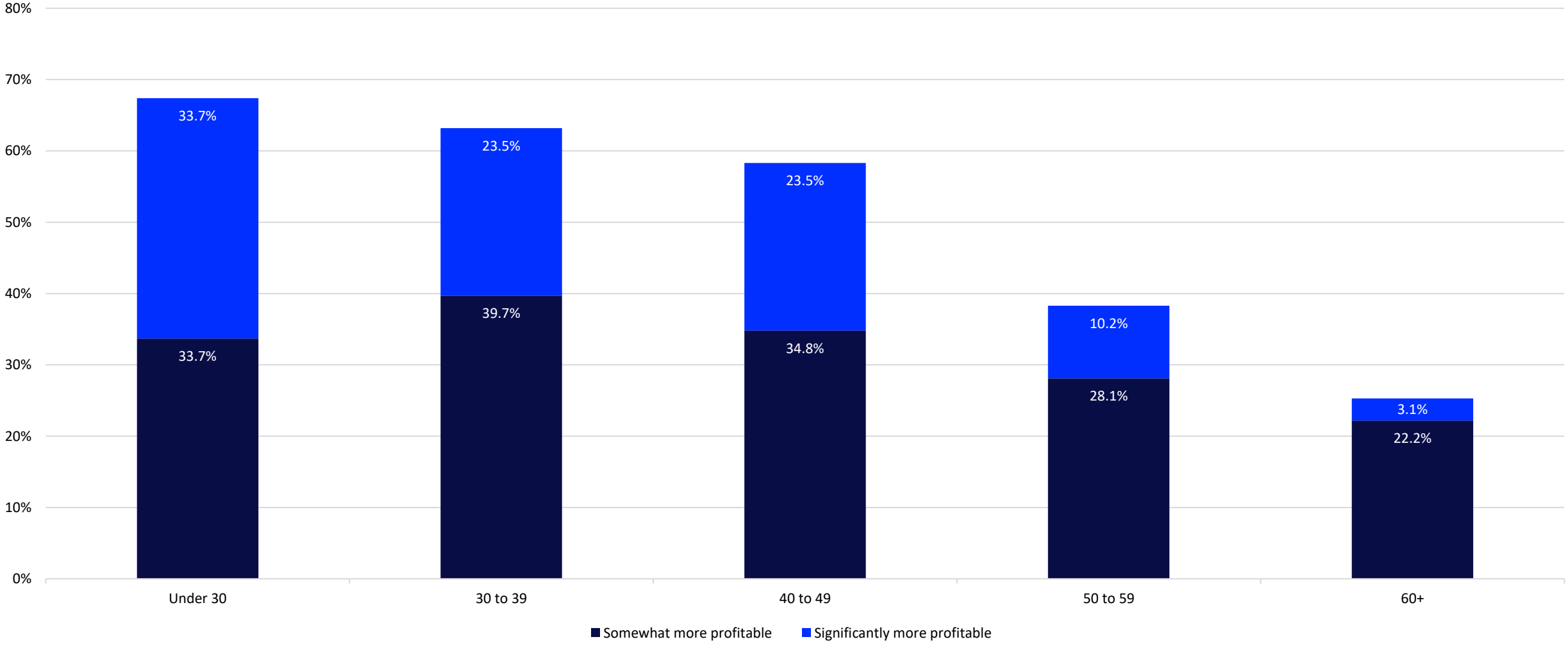
Vietnam's small businesses lead the way in investing in technology that quickly improves profitability, with New Zealand and Australia trailing well behind

Technology investment in 2025 that improved business profitability – by market



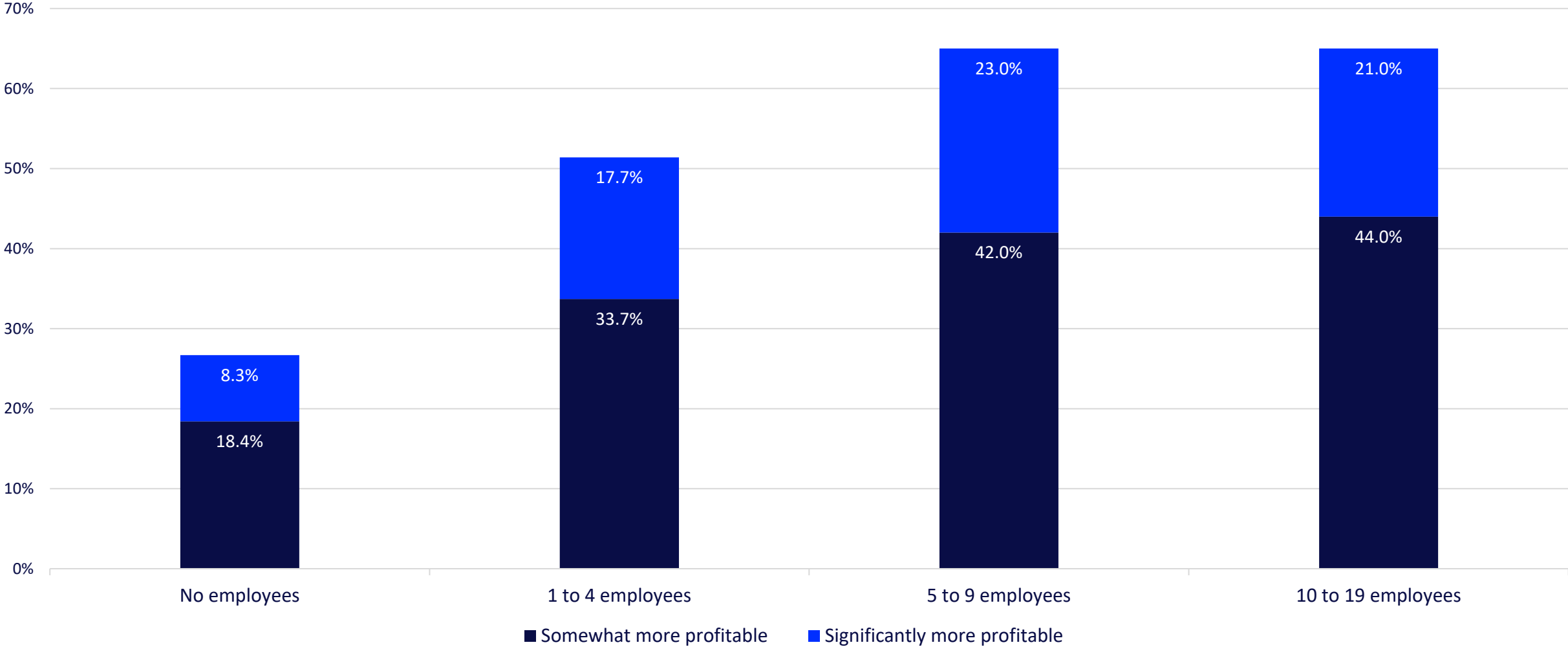
Younger business owners are more likely to invest in technology that delivers rapid profitability gains

Technology investment in 2025 that improved business profitability – by age of business owner



Small businesses with employees are much more likely to make technology investments that rapidly improves their profitability

Technology investment in 2025 that improved business profitability – by size of business



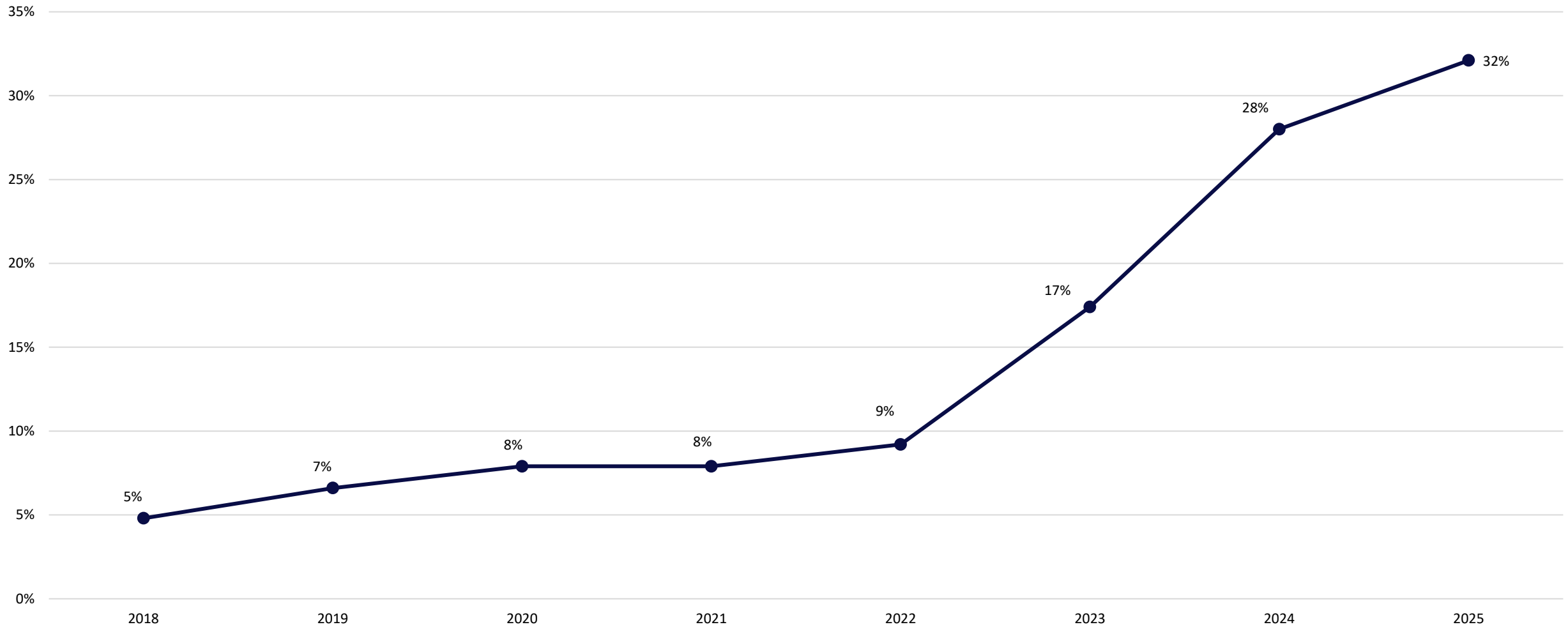
In 2025, investment in AI was more prevalent among high-growth businesses and in high-growth markets

Top technologies small business invested in in 2025 – by market

	Most invested in	Second most invested in	Third most invested in
High-growth businesses	Artificial intelligence (37.8%)	Cloud computing (31.3%)	Customer Relationship Management software (27.7%)
Australia	Accounting software (33.8%)	Computer equipment (33.1%)	Website (29.7%)
Chinese Mainland	Artificial intelligence (48%)	Business intelligence and analytical software (39.2%)	Enterprise resource planning software (34.2%)
Hong Kong	Artificial intelligence (39.8%)	Customer Relationship Management software (36.4%)	Enterprise resource planning software (29.5%)
India	Artificial intelligence (35.6%)	Cloud computing (34.9%)	Customer Relationship Management software & computer equipment (29.9%)
Indonesia	Computer equipment (43.3%)	Mobile apps (34.9%)	Artificial intelligence (27.3%)
Malaysia	Computer equipment and mobile apps (31.4%)	Artificial intelligence and cloud computing (23.5%)	Website (21.2%)
New Zealand	Computer equipment (41.6%)	Website (31.7%)	Accounting software (28.5%)
Philippines	Computer equipment (38.1%)	Mobile apps (24.5%)	Website and point of sale equipment (18.3%)
Singapore	Cloud computing (33.9%)	Artificial intelligence (31.8%)	Business intelligence and analytical software (26.7%)
Taiwan	Artificial intelligence (33.5%)	Customer Relationship Management software (30.4%)	Cloud computing and computer equipment (27.7%)
Vietnam	Customer Relationship Management software (42.1%)	Artificial intelligence and accounting software (41.4%)	Cloud computing (26.5%)

The share of small businesses identifying AI as their most significant technology investment has risen sharply to nearly one-third in 2025, up from 9 per cent in 2022

Businesses reporting AI as their most significant technology investment in the past 12 months (%)

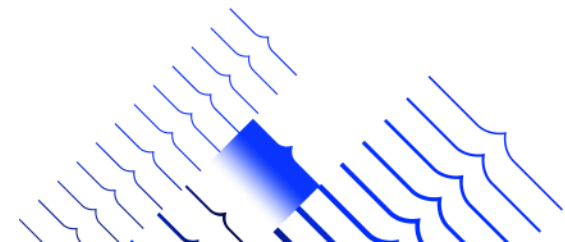
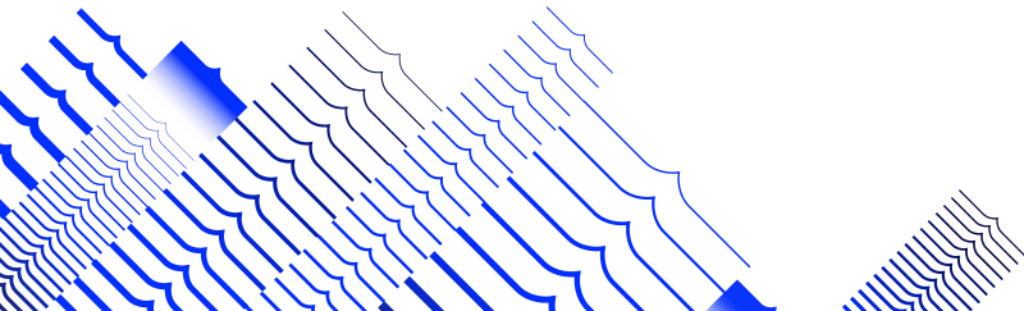


CYBERSECURITY



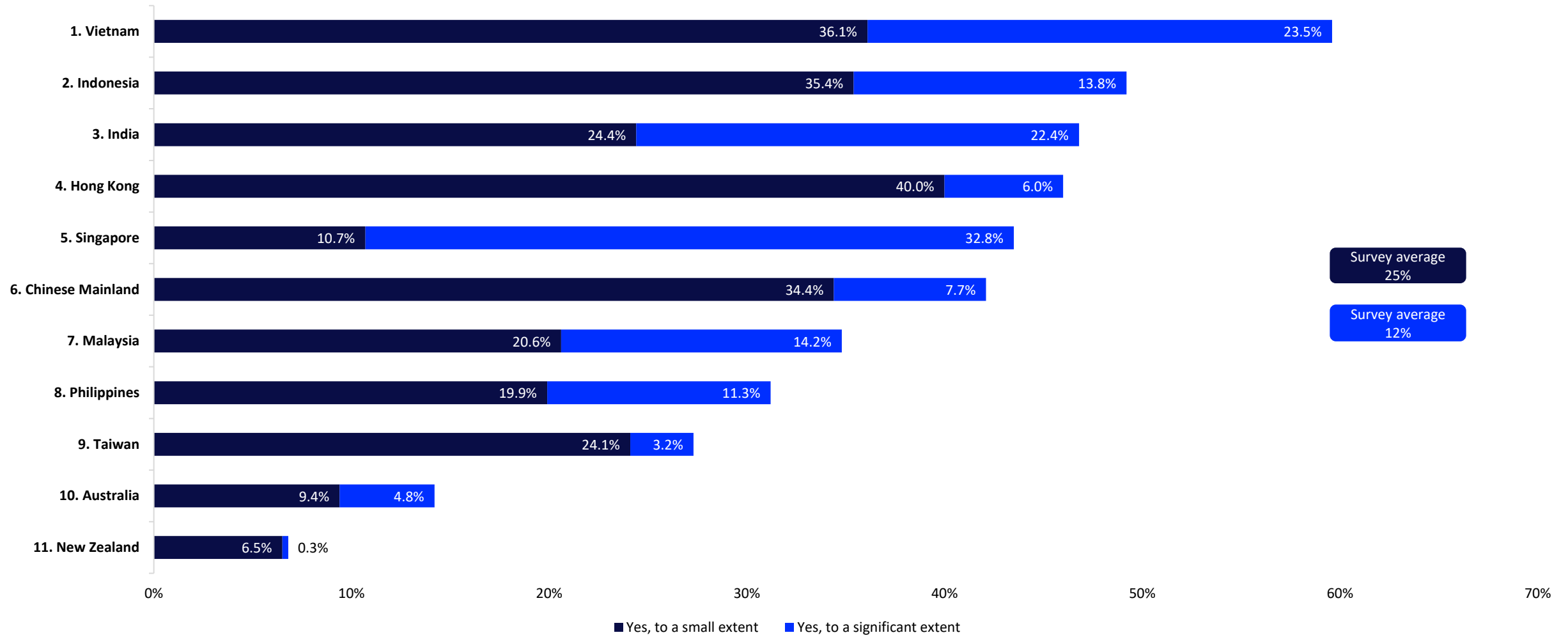
Cyber risk and cybersecurity

- Given their greater reliance on technology, high-growth businesses are unsurprisingly significantly more likely to have lost time and /or money due to a cyberattack in 2025 than businesses that did not grow. They are also the most likely to expect to be cyberattacked in 2026.
- Consistent with this higher risk exposure, high-growth businesses are also significantly more likely to have reviewed their cybersecurity in the past six months.
- Vietnam's small businesses were the most likely to report losing time and/or money due to a cyber incident in 2025. By contrast, lower levels of digital uptake among many Australian and New Zealand businesses help explain why they were the least likely to experience cyber-related losses.
- Encouragingly, Vietnam's heightened cyber risk awareness is matched by stronger cybersecurity practices, with a higher share of businesses reporting regular reviews of their cybersecurity settings.
- Reflecting lower levels of digital adoption, older respondents and micro businesses are the least likely to expect a cyberattack or to have regularly reviewed their cybersecurity. Encouragingly, a growing share of older respondents are now reviewing their cybersecurity practices on a regular basis.

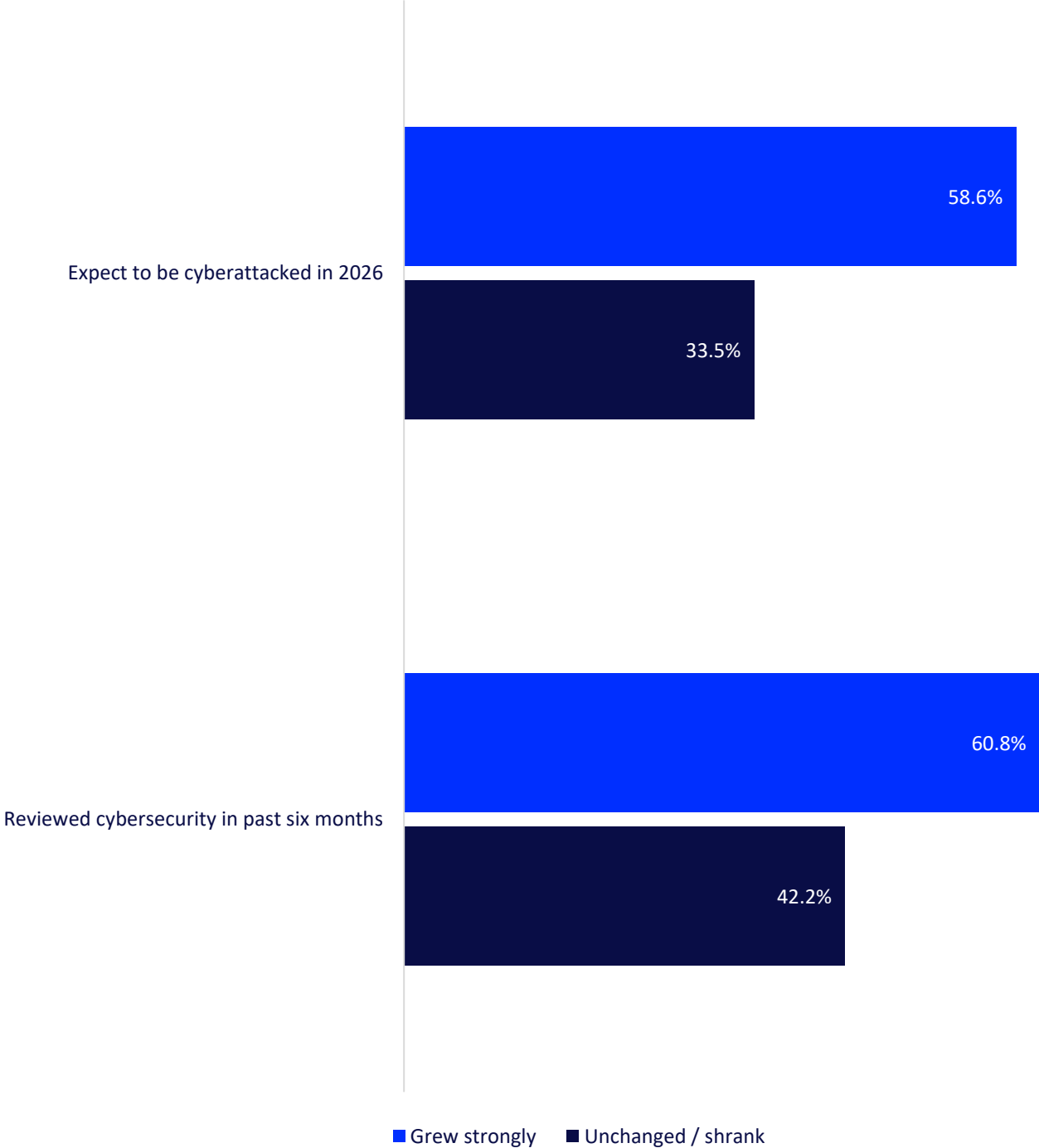


In 2025, Vietnamese small businesses reported the highest incidence of time and/or financial losses from cyberattacks

Businesses that lost time and/or money due to a cybersecurity incident in the past 12 months

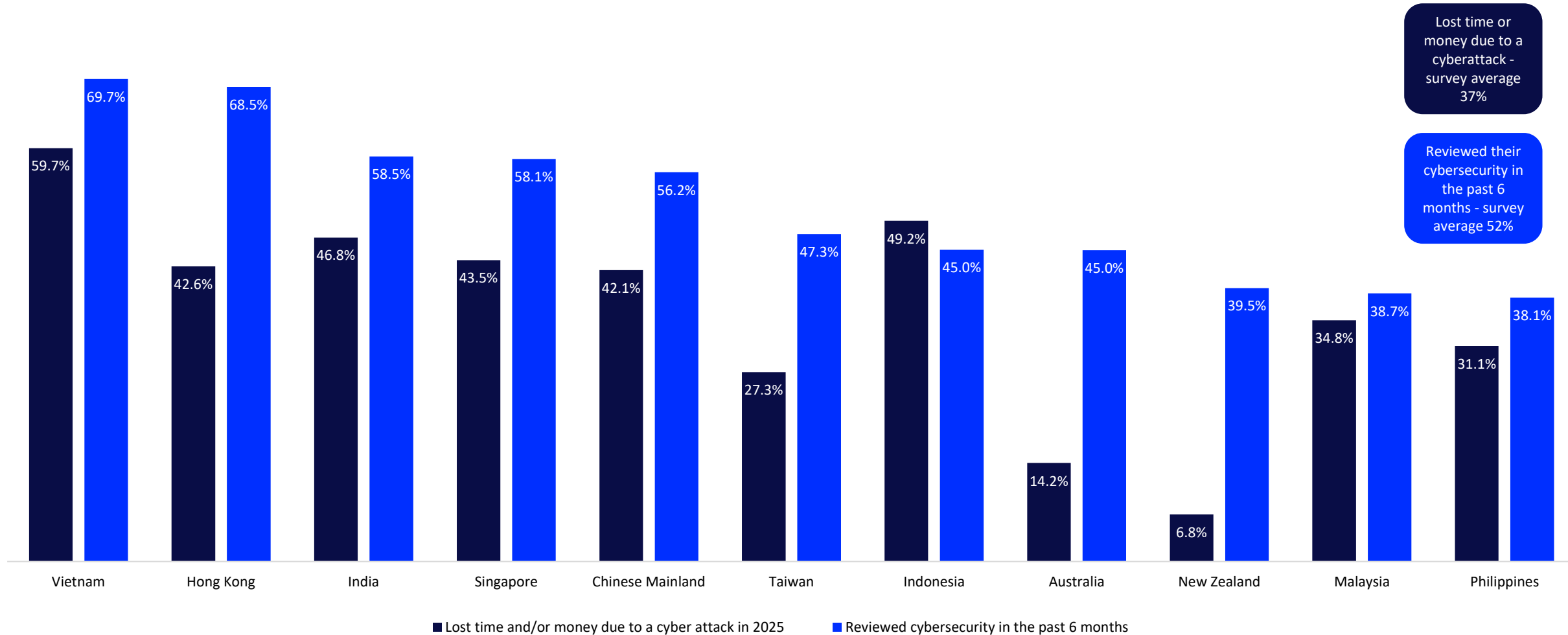


Reflecting their greater reliance on technology, high-growth businesses are more likely to expect cyberattacks and to take action to protect themselves



Cyber-related losses among small businesses across the region remain high, highlighting the need to strengthen cybersecurity

Comparison of cyber incidents and cybersecurity reviews in 2025 — ranked by cybersecurity reviews in the past six months



Only Chinese Mainland, Hong Kong, and Vietnam have consistently outperformed the survey average in regularly reviewing their cybersecurity protections

Comparison of those that reviewed their cybersecurity in past six months – by market and time

Market	2019	2020	2021	2022	2023	2024	2025
Survey average	45.9%	43.1%	45.7%	46.0%	49.0%	51.0%	52.0%
Australia	35.3%	32.5%	35.3%	44.3%	40.0%	39.0%	45.0%
Chinese Mainland	67.6%	58.5%	59.5%	56.4%	53.0%	64.0%	56.0%
Hong Kong	39.3%	39.5%	37.7%	60.6%	65.0%	61.0%	69.0%
India	38.5%	51.0%	51.0%	36.9%	43.0%	48.0%	58.0%
Indonesia	47.0%	43.2%	45.8%	45.4%	48.0%	48.0%	45.0%
Malaysia	45.0%	44.4%	40.1%	48.0%	52.0%	50.0%	39.0%
New Zealand	35.0%	33.3%	42.6%	46.4%	38.0%	39.0%	39.0%
Philippines	34.8%	38.7%	49.7%	47.7%	42.0%	45.0%	38.0%
Singapore	31.2%	39.4%	34.1%	51.8%	43.0%	45.0%	58.0%
Taiwan	38.9%	38.9%	43.2%	34.2%	53.0%	49.0%	47.0%
Vietnam	70.7%	32.3%	60.2%	28.3%	64.0%	62.0%	70.0%

Green = above survey average

Grey = below survey average

Cybersecurity by industry

Top five industries that lost time and or money in 2025

1. Banking, finance or insurance – 58.4%
2. Manufacturing – 43.1%
3. Health care and social assistance – 42.1%
4. Information, media and telecommunications – 40.9%
5. Property and construction – 39.5%

Top five industries that reviewed their cybersecurity in the past six months

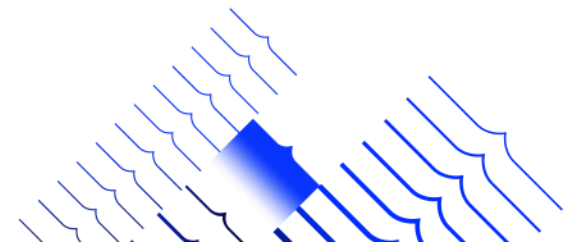
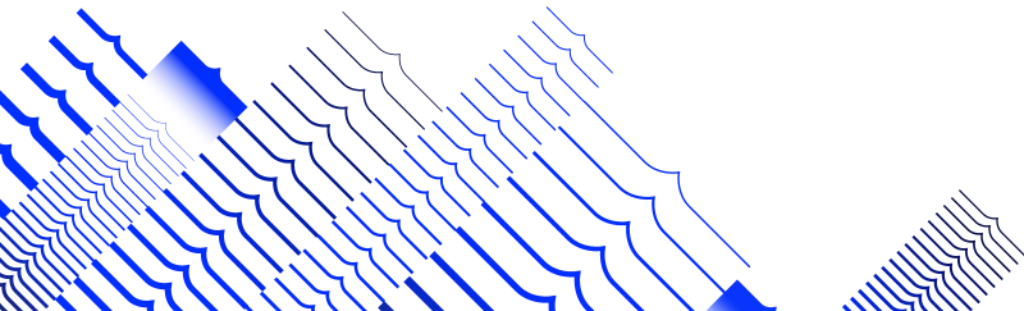
1. Banking, finance or insurance – 73.7%
2. Property and construction – 59.5%
3. Transport and warehousing – 58.8%
4. Information, media and telecommunications – 58.6%
5. Education and training – 54.3%

SELLING ONLINE



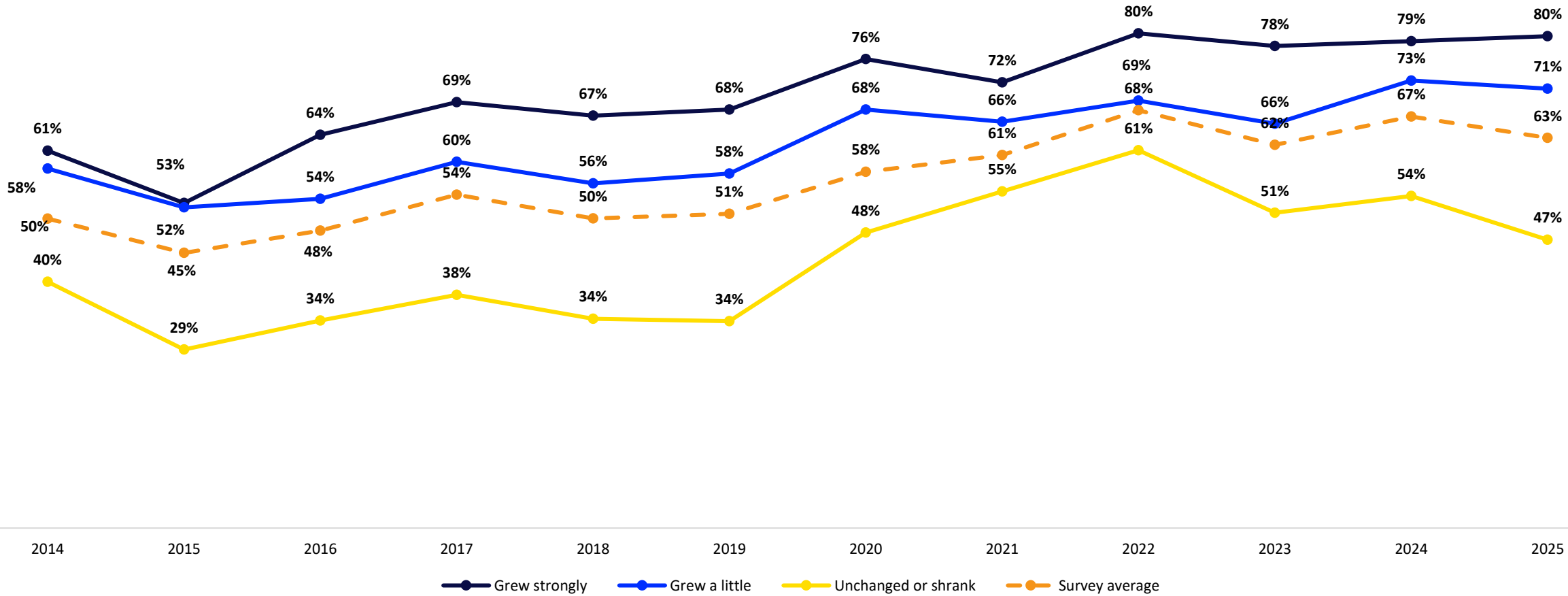
Impact of selling online

- High growth businesses remain far more likely than other businesses to generate at least 10 per cent of their sales through selling online.
- Vietnam's small businesses have taken the lead in selling online, with Chinese Mainland and India close behind.
- The share of small businesses generating at least 10 per cent of their sales online declined in several markets, most notably Hong Kong, Malaysia, Singapore and Taiwan.
- Australian and New Zealand small businesses continue to be the least likely to generate online sales. However, Australia experienced an improvement in 2025 compared to 2024 while New Zealand's decline continued
- Older respondents, older businesses and micro businesses remain significantly less likely to sell online. This may reflect limited knowledge of how to apply digital sales technologies or a greater reliance on established physical presence.



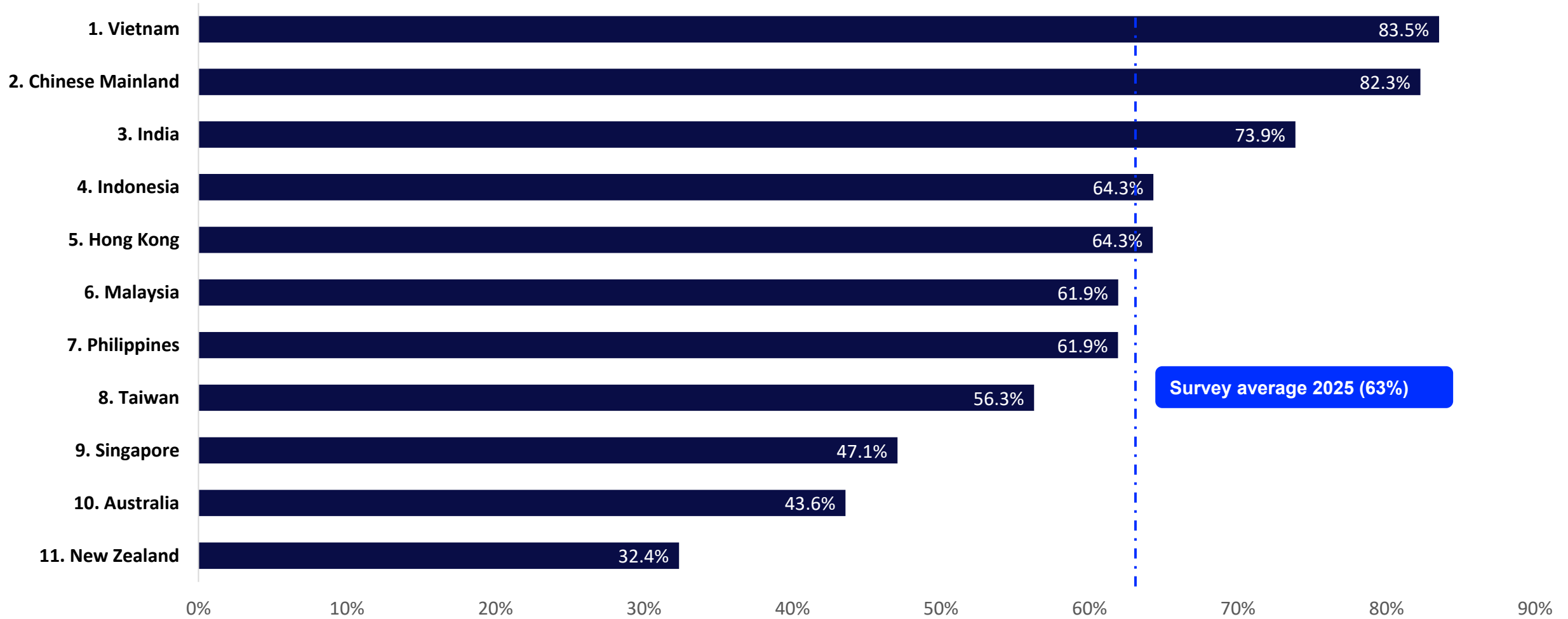
Businesses with higher online revenue tend to experience stronger growth, underscoring the importance of e-commerce to business performance

Percentage of businesses earning more than 10 per cent of revenue online – by whether they grew or not and over time



Small businesses in emerging markets are more likely to sell online, highlighting faster digital transformation and potentially fewer legacy constraints than in more developed economies

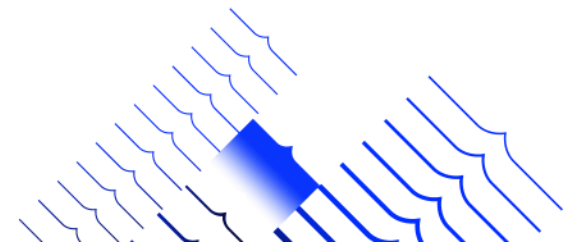
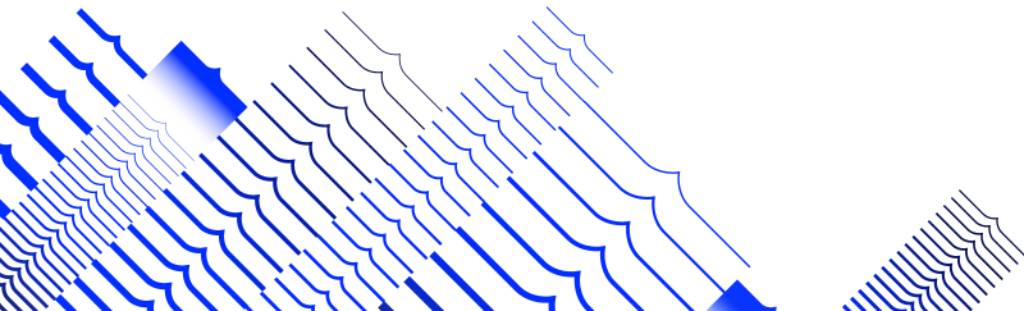
Percentage of business earning more than 10 per cent of revenue online – by market in 2025



PAYMENT TECHNOLOGIES

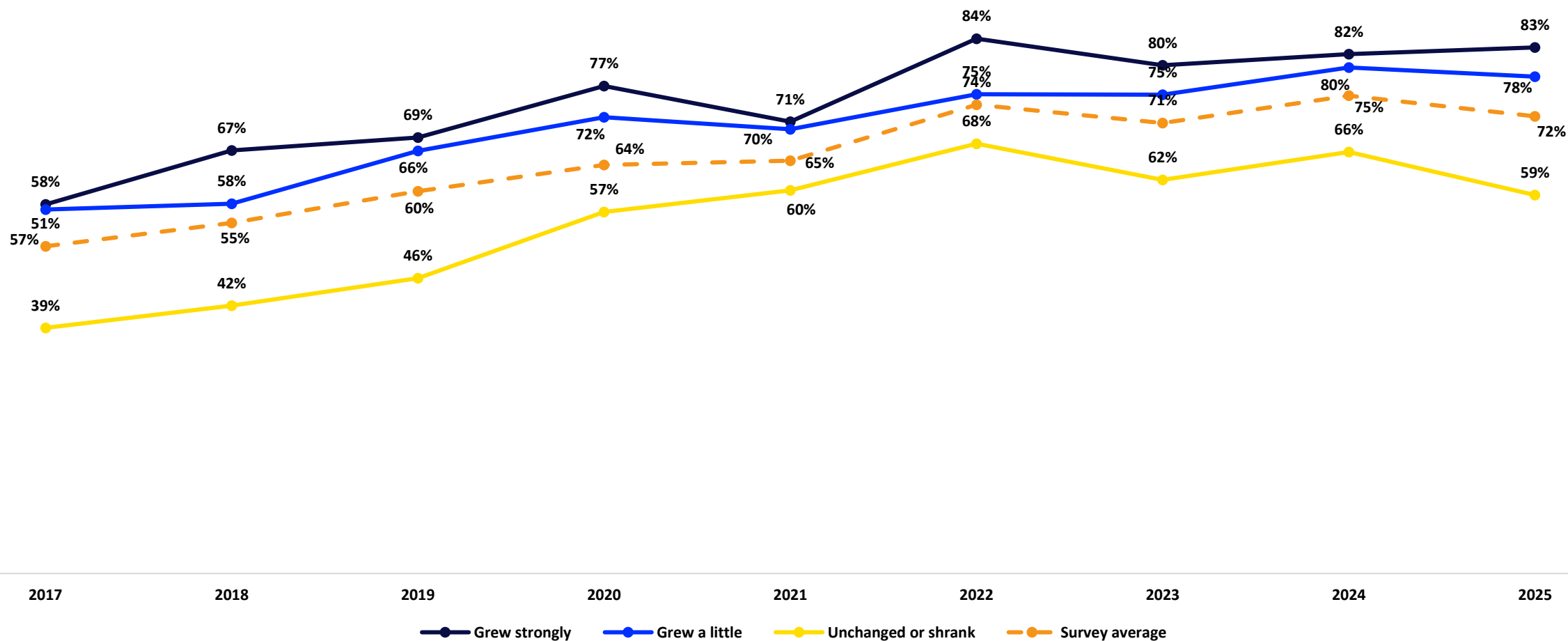
Offering digital payment platforms

- Consistent with selling online, high growth businesses remain more likely than other businesses to receive more than 10 per cent of their sales through new payment technologies such as PayPal, WeChat Pay, Apple Pay and buy now pay later services.
- India's small businesses lead the region in offering new payment technologies to their customers, with Vietnam and Chinese Mainland close behind
- New Zealand and Australian small businesses continue to be the least likely to offer digital payment options to customers. As cash sales in those economies is becoming less frequent, it shows that businesses rely heavily on existing payment platforms like EFTPOS
- As with selling online, older respondents, older businesses and micro businesses continue to be significantly less likely to offer new payment technologies to their clients. This may be due to a lack of knowledge of how to apply such technologies in their business and concerns over the cost of such technologies, for example the transaction fees.



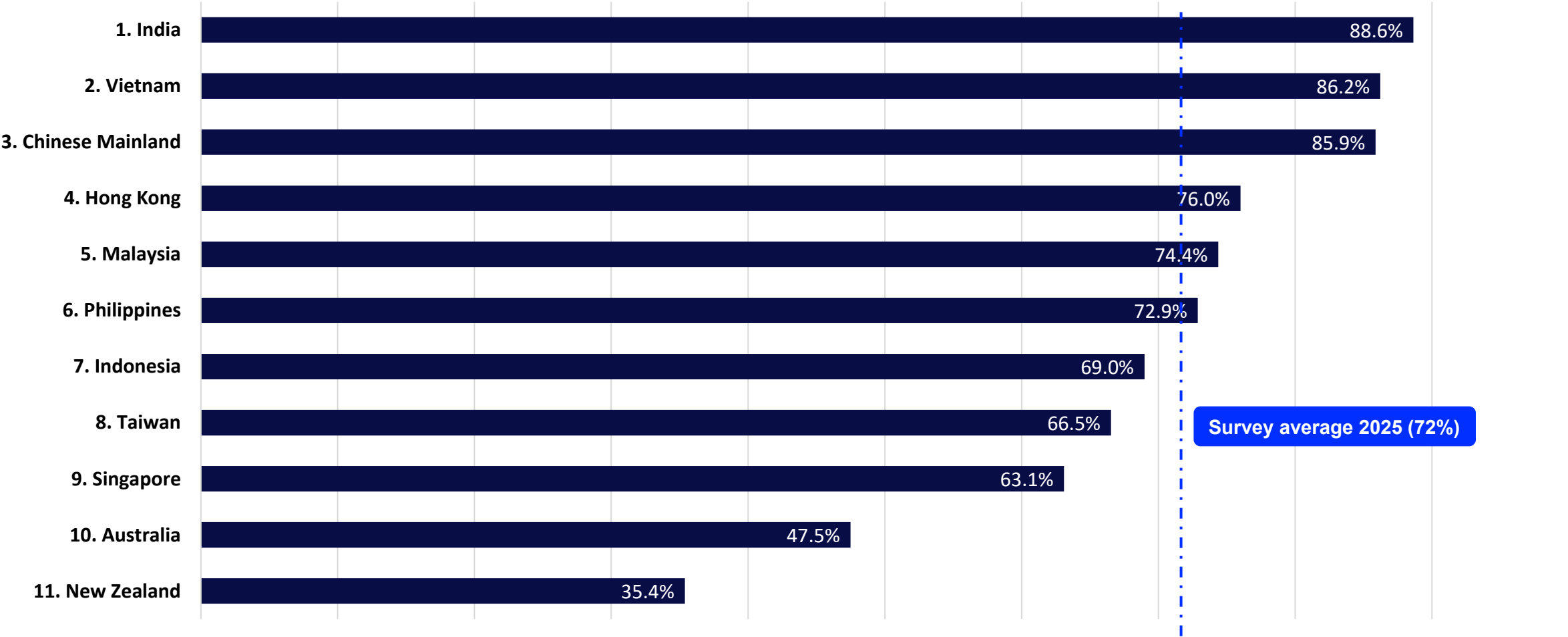
Businesses generating more than 10 per cent of their sales through digital payment technologies remain more likely to experience strong growth

Percentage of businesses receiving more than 10 per cent of their sales through new payment technologies – by whether they grew or not, and over time

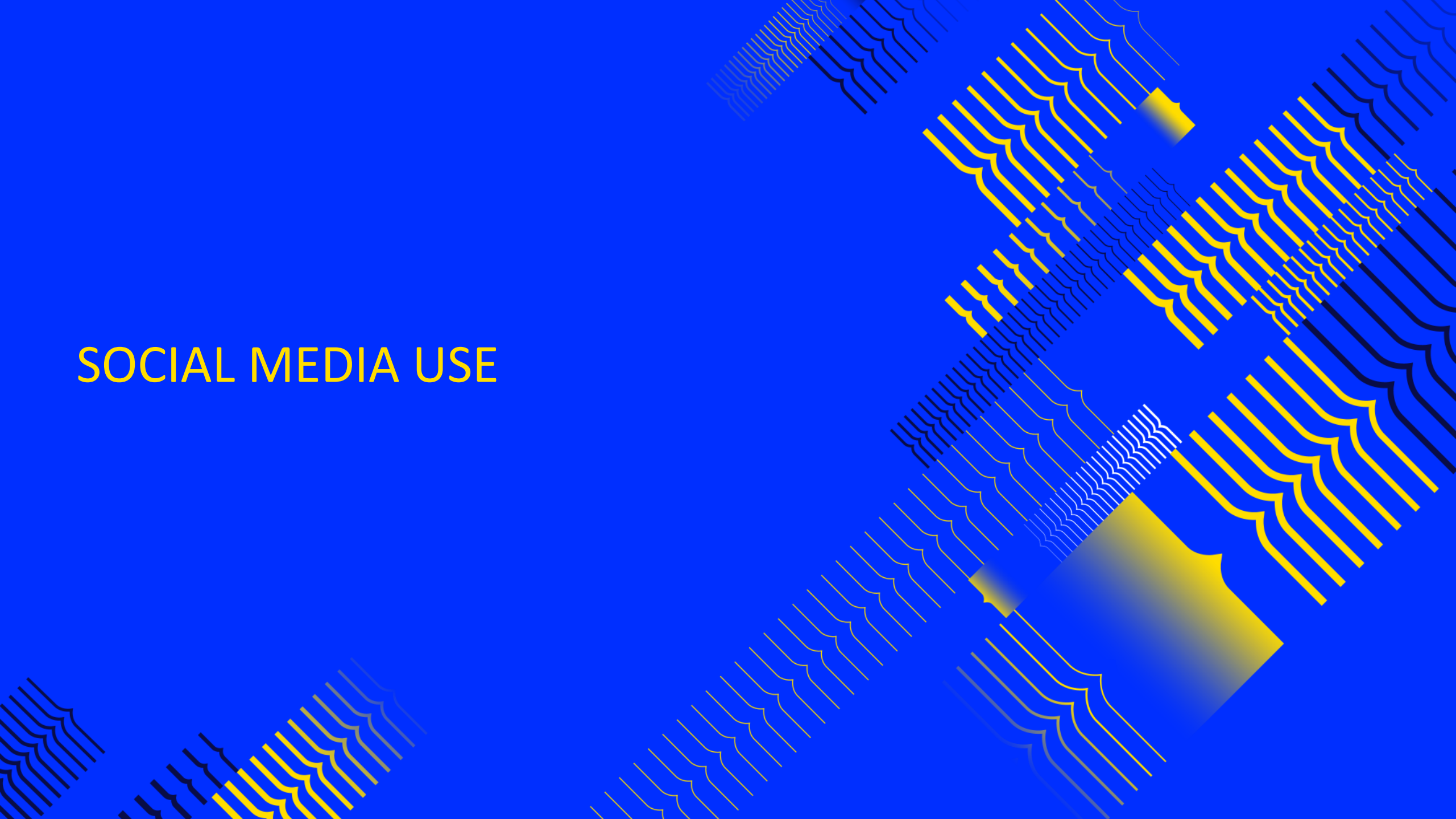


India, Vietnam, and China lead in adopting digital payment options for customers, reflecting the rapid pace of digital integration in those economies

Percentage of businesses receiving more than 10 per cent of their sales through new payment technologies – by market

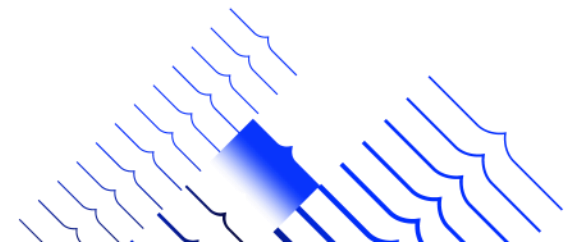
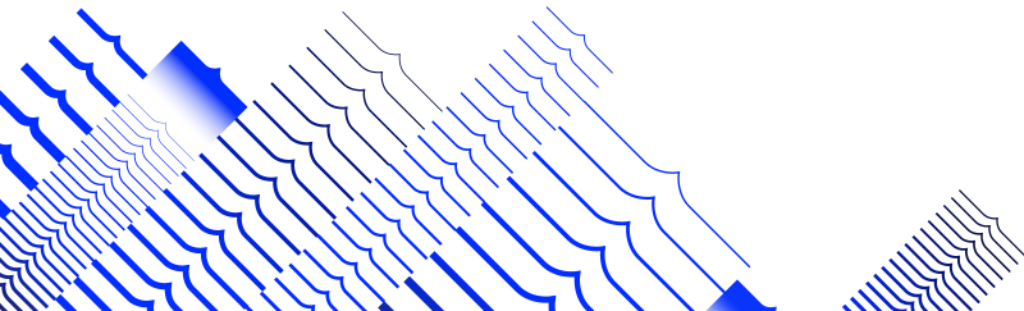


SOCIAL MEDIA USE



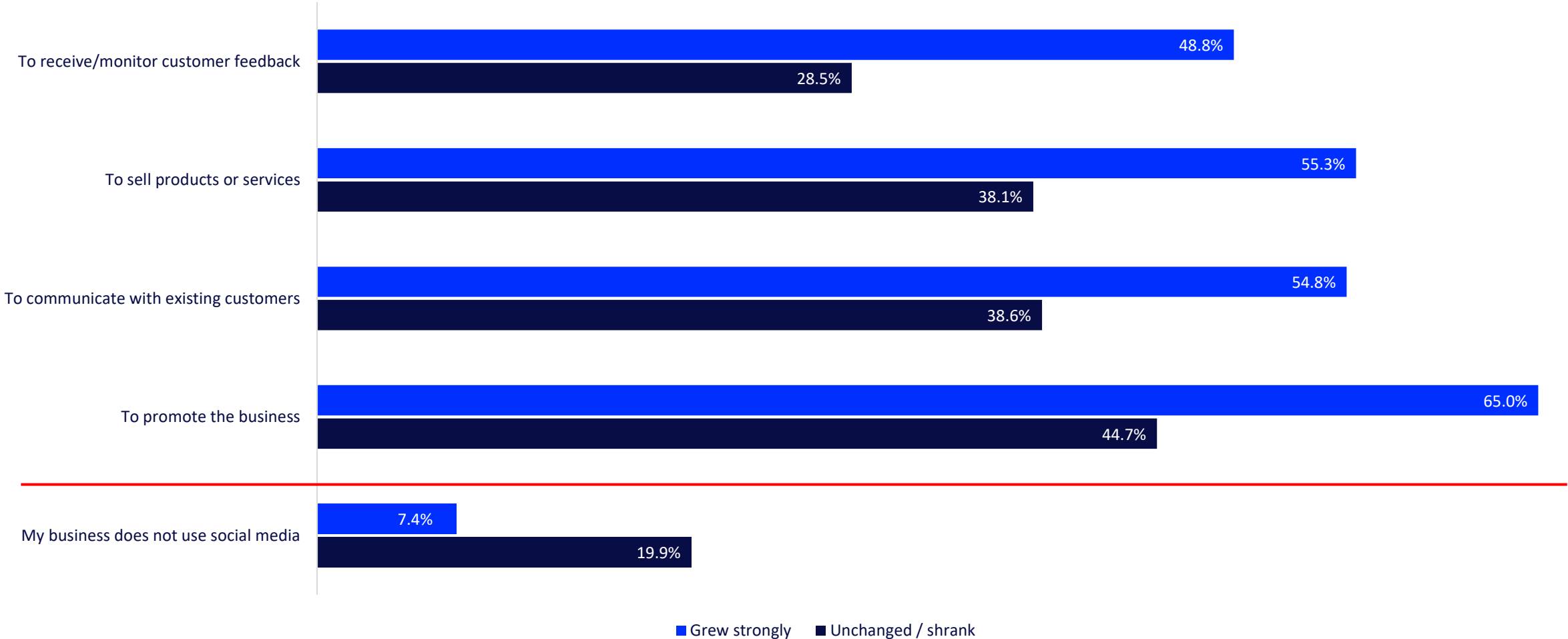
Using social media for business purposes

- High growth small businesses remain more likely to use social media and to use it in a wider range of ways
- It's common for small businesses to use social media to market their business and communicate with customers and potential customers. High growth businesses however are more likely to use social media for additional purposes including:
 - receiving or monitor customer feedback
 - selling products or services
 - Recruiting employees
- Australian and New Zealand small businesses remain significantly more likely to not use social media for business purposes
- As with selling online, older respondents, older businesses and micro businesses continue to be significantly more likely to not use social media for business purposes. This may reflect limited knowledge of how to use social media in their business and/or the cost of engaging social media experts



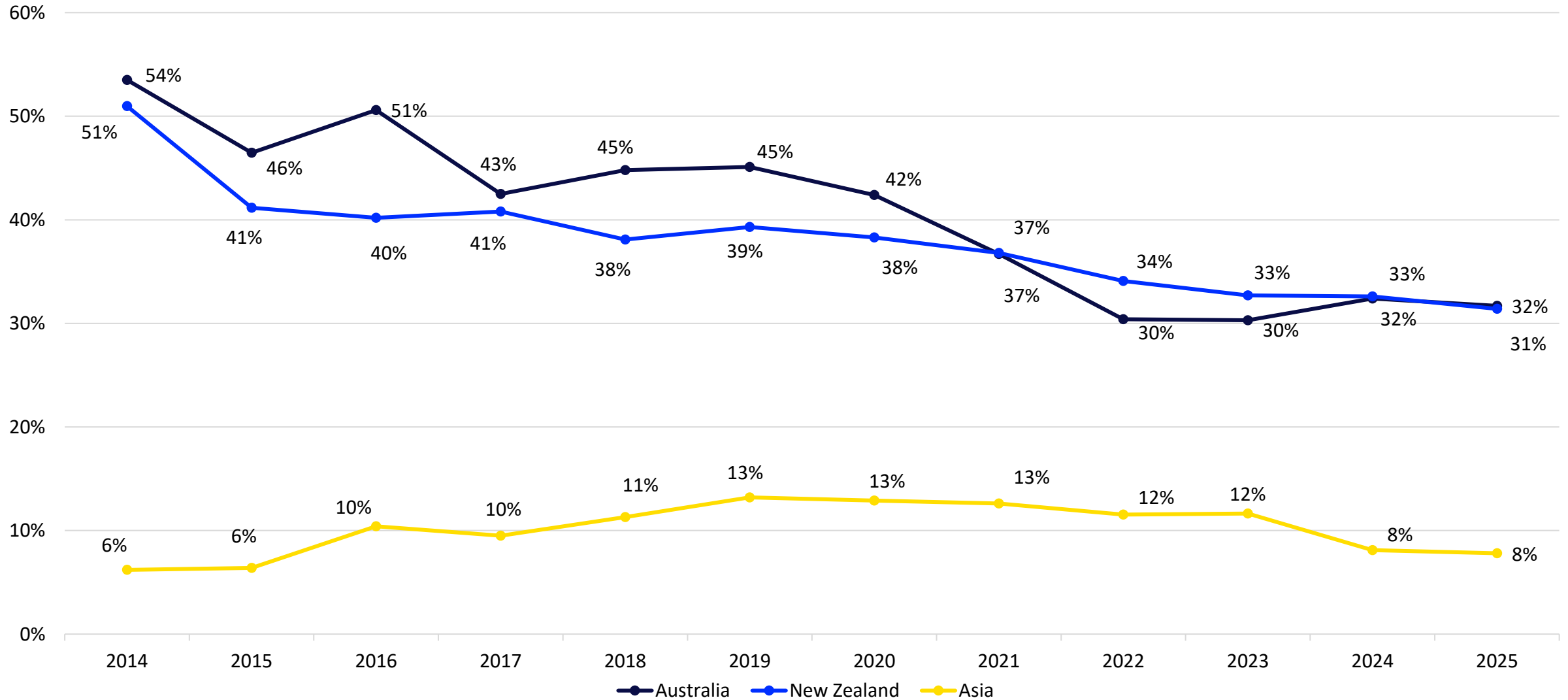
The broader and more strategic use of social media by high-growth businesses reinforces its importance as a driver of business growth

What small businesses use social media for – comparison of businesses that reported growing in 2025 with those that were unchanged or shrank

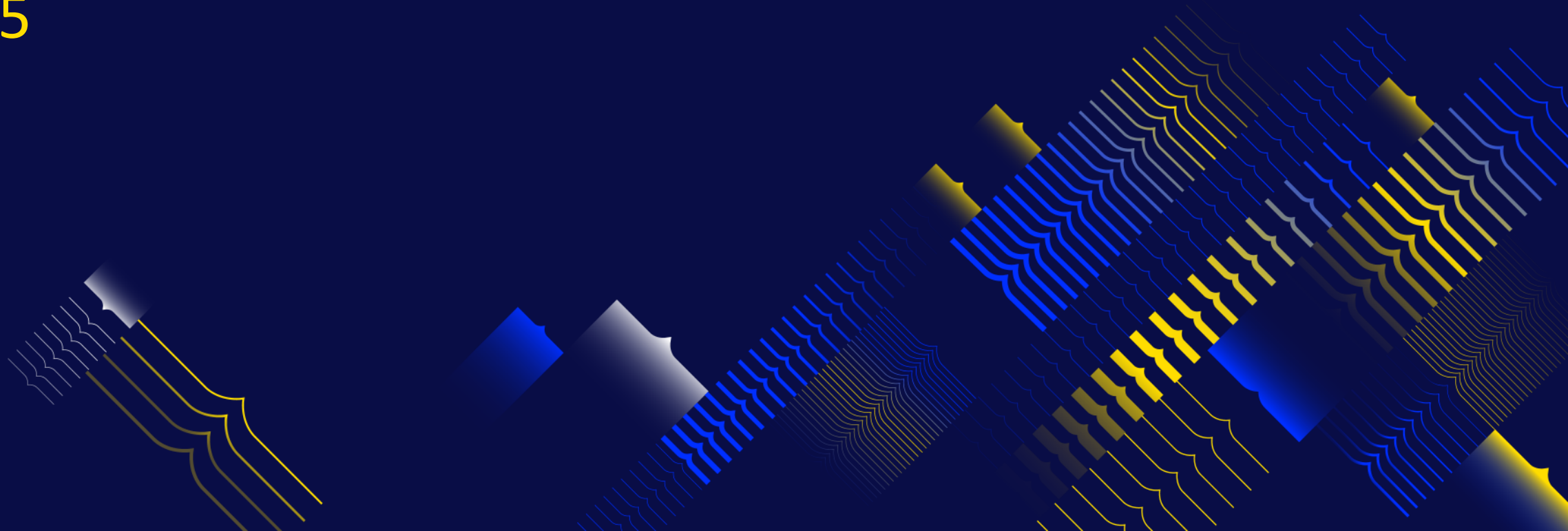


Australian and New Zealand small businesses continue to lag Asia in social media use

NOT using social media for business purposes – Australia and New Zealand compared with Asia



Small business conditions in 2025

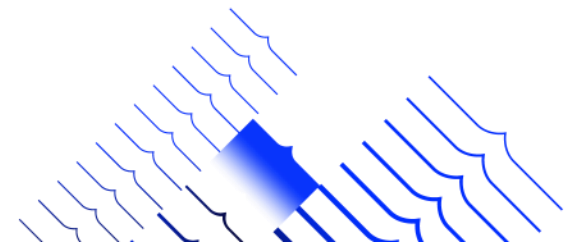
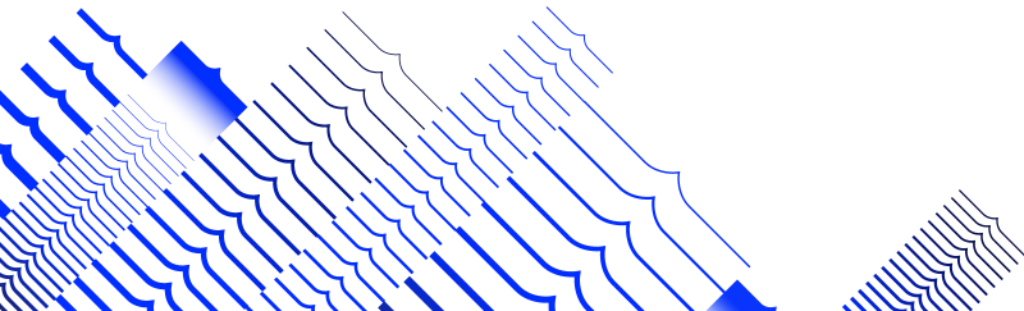


The background features a vibrant blue color with a complex pattern of wavy, overlapping lines in white and yellow. These lines create a sense of movement and depth, resembling a stylized architectural or organic structure. The overall aesthetic is modern and dynamic.

BUSINESS GROWTH IN 2025

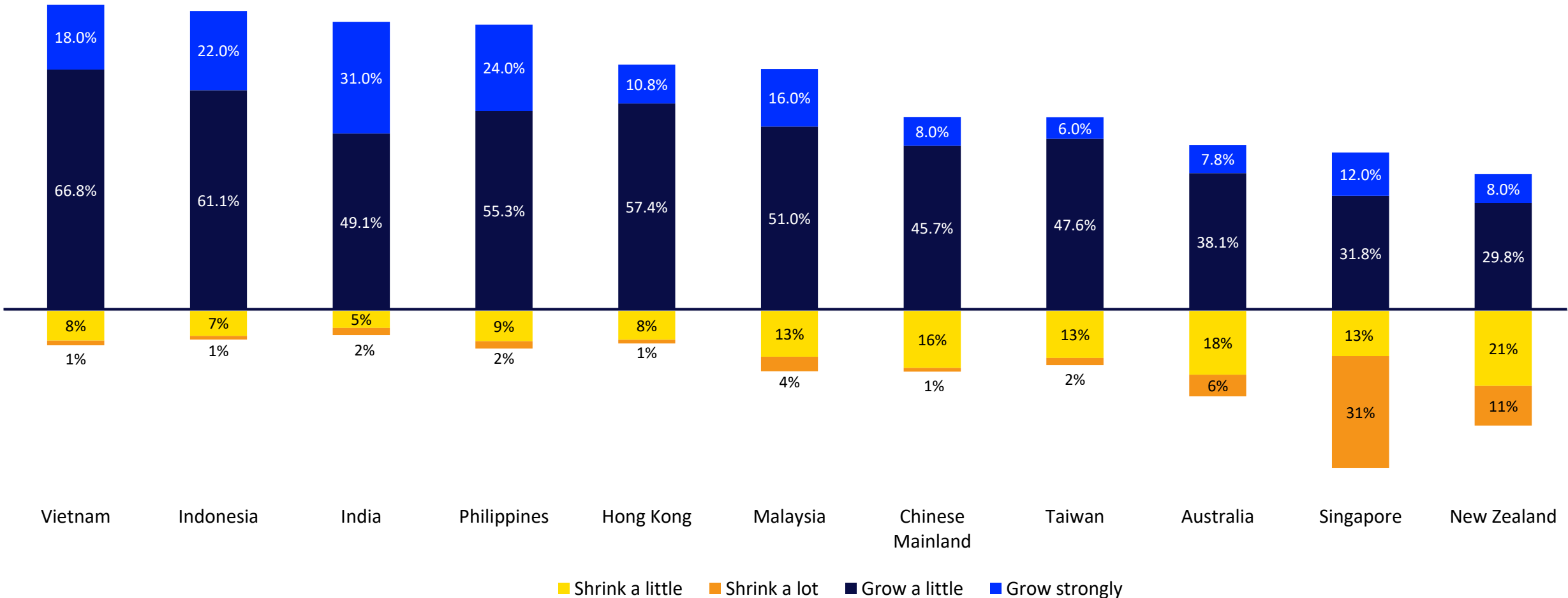
Business growth in 2025

- Small business conditions in 2025 were highly favourable in Vietnam, Indonesia, India and the Philippines, but significantly weaker in New Zealand, Singapore and Australia
- In Singapore, a notable share of small businesses reported contracting in 2025. Despite this, Singapore recorded the highest proportion of small businesses increasing employee numbers and the highest share of businesses that will innovate in 2026, indicating continued confidence in the medium-to-long term prospects of their own business and the economy.
- Most markets fell short of growth expectations for 2025, except for Hong Kong and Taiwan, which outperformed expectations
- The Banking, finance, and insurance sector was the fastest growing sector, with manufacturing and agriculture also recording strong performance
- Developing economies show broader growth across sectors such as property, agriculture, and professional services, while advanced economies remain concentrated in finance and manufacturing



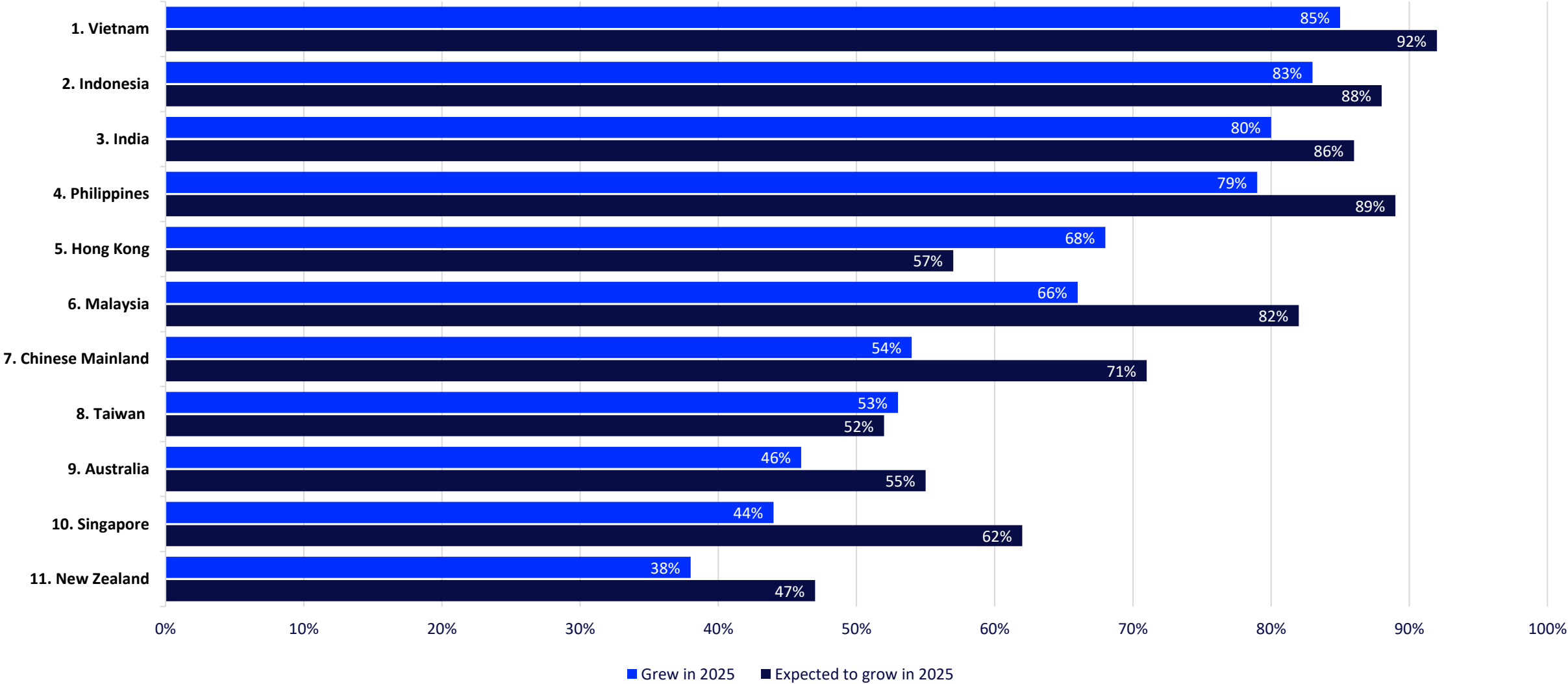
Small business conditions in 2025 were highly favourable in Vietnam, Indonesia, India and the Philippines, but significantly weaker in Singapore, where a large share of businesses reported shrinking

Small businesses that grew compared with shrank in 2025 – by market



Only small businesses in Hong Kong and Taiwan outperformed their expectations for 2025

Businesses that grew in 2025 compared to expectations for 2025 – by market



Small businesses in the banking, finance and insurance sector were the most likely to report growing in 2025

Industries that grew the most – by year

	Highest	Second highest	Third highest
2025	Banking, finance or insurance – 81.7%	Manufacturing – 69.4%	Agriculture, forestry and fishing – 68.4%
2024	Manufacturing – 75.2%	Public administration and safety – 71.8%	Accommodation and food services – 70.0%
2023	Banking, finance or insurance – 70.0%	Agriculture, forestry and fishing – 66.1%	Arts and recreation services – 64.3
2022	Health care and social assistance – 67.4%	Property and construction – 65.4%	Accommodation and food services – 62.2%
2021	Agriculture, forestry and fishing – 63.5%	Banking, finance or insurance – 60.9%	Accommodation and food services – 53.7%
2020	Information, media and telecommunications – 63.0%	Banking, finance or insurance – 60.4%	Utilities – 56.5%
2019	Banking, finance or insurance – 81.5%	Accommodation and food services – 74.0%	Utilities – 73.8%
2018	Manufacturing – 74.5%	Accommodation and food services – 74.2%	Administrative and support services – 71.1%
2017	Manufacturing – 83.9%	Accommodation and food services – 76.6%	Property and construction – 76.3%
2016	Manufacturing – 79.7%	Accommodation and food services – 74.1%	Property and construction – 72.1%
2015	Manufacturing – 82.4%	Utilities – 78.4%	Accommodation and food services – 77.0%

In advanced economies, small businesses in the banking, finance and insurance sector consistently outperform other sectors, while no single industry dominates in developing economies, where the leading sector changes from year to year

Industries that grew the most – advanced vs developing economies

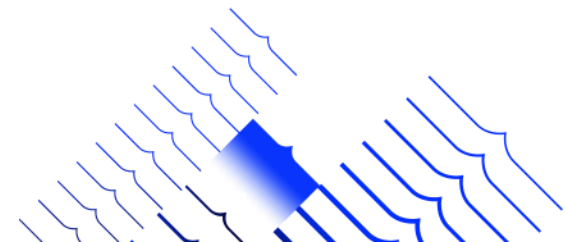
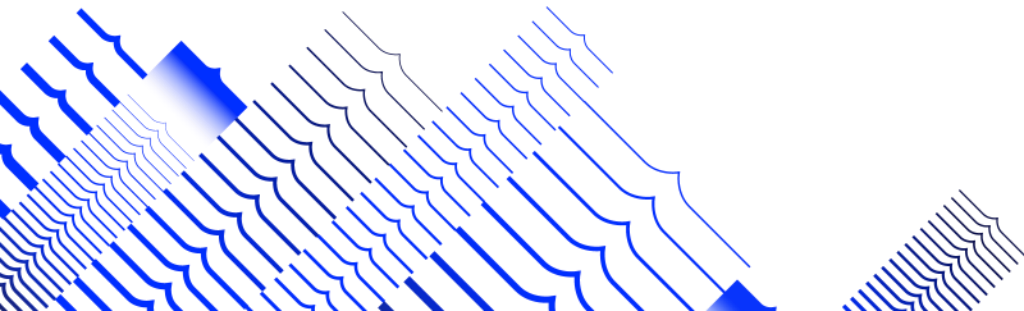
Advanced economies				Developing economies			
	Highest	Second highest	Third highest		Highest	Second highest	Third highest
2025	Banking, finance or insurance – 75%	Manufacturing – 56%	Education and training – 50%	2025	Banking, finance or insurance – 87%	Property and construction – 82.5%	Agriculture, forestry and fishing – 78%
2024	Manufacturing – 69%	Transport and warehousing – 60%	Banking, finance or insurance – 55%	2024	Wholesale trade – 79% Manufacturing – 79%	Accommodation and food services – 77.5%	Professional, scientific and technical – 77%
2023	Banking, finance or insurance – 64%	Health care and social assistance – 61%	Public administration and safety – 58%	2023	Arts and recreation services – 76% Professional, scientific and technical – 76%	Banking, finance or insurance – 75%	Education and training – 72%
2022	Agriculture, forestry and fishing – 62%	Banking, finance or insurance – 56%	Retail trade – 55%	2022	Health care and social assistance – 79%	Property and construction – 78%	Rental, hiring and real estate services – 72%
2021	Banking, finance or insurance – 52%	Accommodation and food services – 51%	Retail trade – 38%	2021	Agriculture, forestry and fishing – 74%	Banking, finance or insurance – 69%	Arts and recreation services – 61%
2020	Banking, finance or insurance – 40%	Information, media and telecommunications – 40%	Health care and social assistance – 35%	2020	Information, media and telecommunications – 77%	Banking, finance or insurance – 77%	Professional, scientific and technical – 73%

The background features a complex, abstract pattern of overlapping, wavy lines. The lines are primarily yellow and white, set against a solid blue background. The pattern is composed of many small, repeating geometric shapes that create a sense of depth and movement, resembling a stylized architectural or natural structure.

SMALL BUSINESS AND JOBS IN 2025

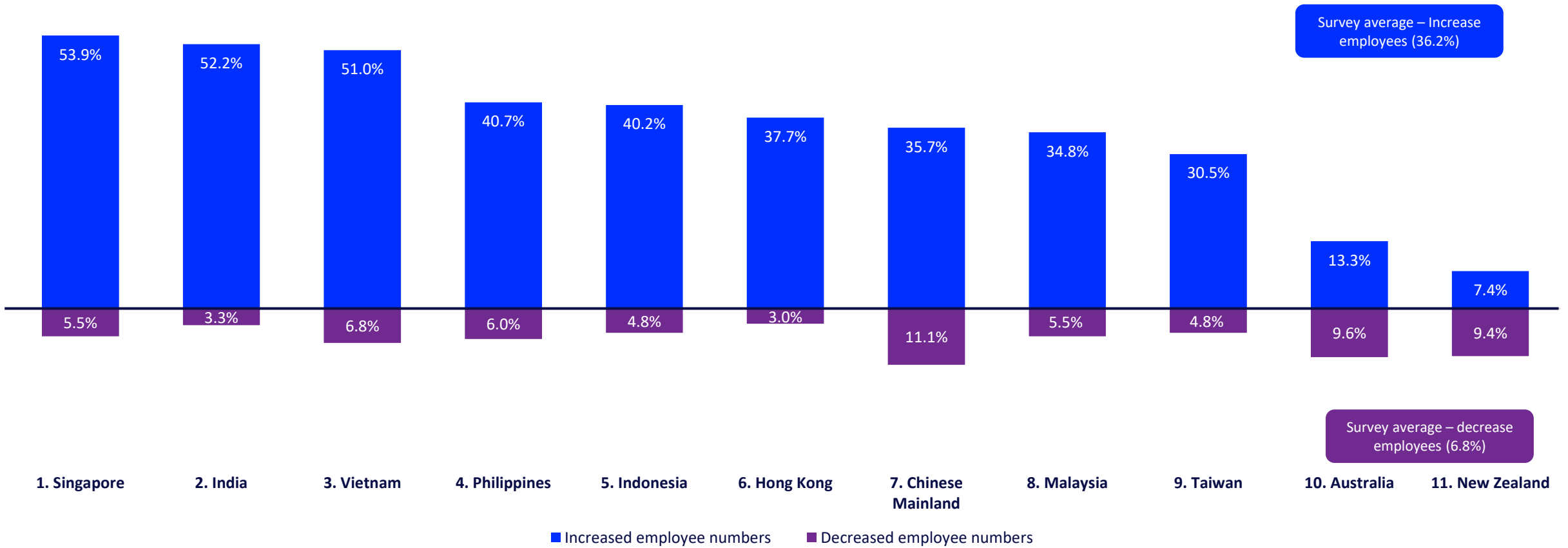
Small business impact on employment in 2025

- Small businesses in Singapore added staff at the highest rate in 2025, well above the survey average, while Australian and New Zealand small businesses remained the least likely to increase employee numbers
- Singapore experienced a sharp rise in small businesses increasing employee numbers in 2025, while the number of New Zealand small businesses creating new jobs has declined each year since 2022
- Firms led by younger business owners, and younger/mid-aged businesses, were more likely to expand their workforce, whereas older owners and very mature firms continued to be much less likely to create new jobs
- Most markets underperformed relative to their hiring expectations for 2025, however Singapore was a notable exception, with the number of businesses adding staff far exceeding what had been forecast
- Small businesses in the banking and finance, health care and social assistance, transport and warehousing, property and construction, and manufacturing sectors were the most to add to their headcount



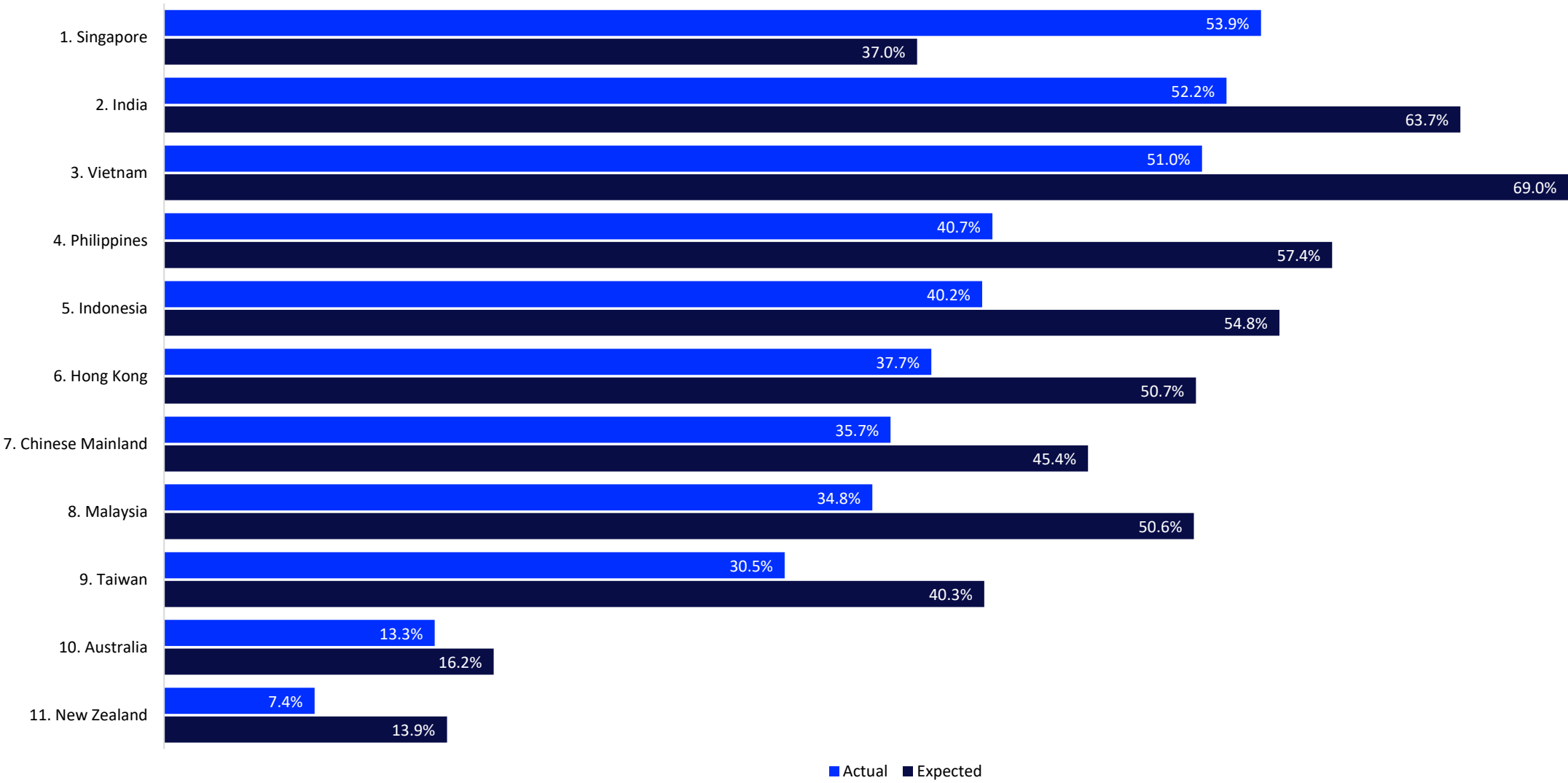
In 2025, small businesses in Singapore recorded the strongest employment growth, while small businesses in New Zealand were more likely to reduce employee numbers than increase them

Small businesses that increased employee numbers compared with those that reduced jobs in 2025 – by market




Singapore was the only market to exceed hiring expectations in 2025

Actual increase in employee numbers in 2025 compared to expected increase



Top five industries that increased employee numbers in 2025

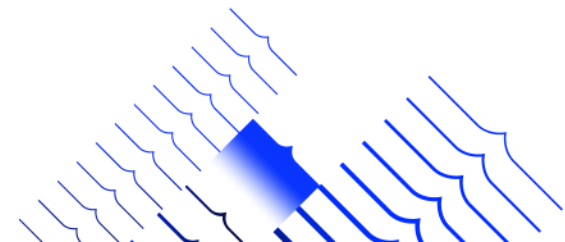
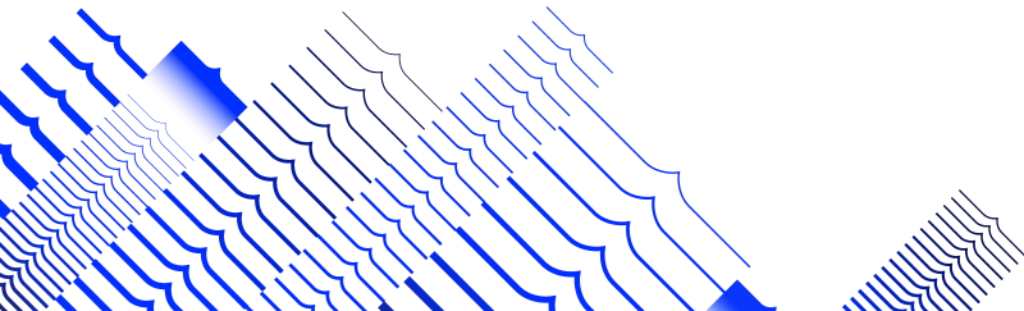
1. Banking, finance or insurance – 50.8%
2. Health care and social assistance – 46.7%
3. Transport and warehousing – 45.2%
4. Property and construction – 41.6%
5. Manufacturing – 39.8%



POSITIVE AND NEGATIVE INFLUENCES
ON SMALL BUSINESSES IN 2025

Positive and negative impacts on Asia Pacific small businesses in 2025

- High-growth businesses are far more likely than other firms to attribute success to stronger business strategy, easier access to finance, improved management capability, higher customer satisfaction and the introduction of new products and services.
- Customer loyalty and good staff also feature prominently as markers of success, however, these factors are common across all businesses and therefore are not distinctive drivers of high growth
- Businesses that were unchanged or shrank lean on customer loyalty, cost control, and good staff—a more defensive strategic approach.
- Rising costs were the most frequently cited negative across most markets, followed by intensifying competition, while macroeconomic weakness was a more prominent concern in some economies.
- Materials remain the biggest cost concern, with transport and storage, utilities, and staff costs also elevated. Concerns around rent and foreign-exchange volatility increased in significance in 2025.



Most popular positive influences on business in 2025 – by market

	Most popular	Second most popular	Third most popular
High-growth businesses	Improved business strategy (44.2%)	Improved customer satisfaction (43.4%)	Customer loyalty & good staff (39.5%)
Businesses that were unchanged or shrank	Customer loyalty (33.4%)	Cost control (23.7%)	Good staff (22.1%)
Australia	Customer loyalty (47.2%)	Good staff (32.1%)	Cost control (24.5%)
Chinese Mainland	Introduced a new product or services (33%)	Entering new markets (31.7%)	Improved business strategy (30.6%)
Hong Kong	Customer loyalty & good staff (35.4%)	Cost control (27.5%)	Political stability (25.6%)
India	Customer loyalty & improved customer satisfaction (42.3%)	Technology & improved business strategy (40.7%)	Good staff (39.8%)
Indonesia	Improved customer satisfaction (44.7%)	Customer loyalty (41.8%)	Improved business strategy (35%)
Malaysia	Customer loyalty (42.6%)	Cost control (35.8%)	Improved customer satisfaction (33.5%)
New Zealand	Customer loyalty (42.1%)	Good staff (28.2%)	Cost control (23.9%)
Philippines	Customer loyalty (43.7%)	Improved customer satisfaction (37.4%)	Improved business strategy (33.4%)
Singapore	Customer loyalty (37%)	Improved customer satisfaction (34.4%)	Improved business strategy (30.5%)
Taiwan	Cost control (27.3%)	Customer loyalty (26.4%)	Good staff, entering new markets & improved customer satisfaction (21.9%)
Vietnam	Improved business strategy (41.3%)	Improved customer satisfaction (40.6%)	Improved business management (38.7%)

High-growth businesses prioritise strategy and customer satisfaction, whereas non-growing or contracting firms focus more on customer retention and cost control

Most popular positive influences on business in 2025 – by whether the business grew or not

	Most popular	Second most popular	Third most popular
Grew strongly	Improved business strategy (44.3%)	Improved customer satisfaction (43.4%)	Customer loyalty & good staff (39.5%)
Grew a little	Customer loyalty (38.3%)	Improved customer satisfaction (35.1%)	Improved business strategy (33.6%)
Unchanged / shrank	Customer loyalty (33.4%)	Cost control (23.7%)	Good staff (22.1%)

Most popular negative influences on business in 2025 – by market

	Most popular negative influence	Second most popular negative influence	Third most popular negative influence
Survey average	Increasing costs (38.8%)	Increasing competition (31.4%)	Poor overall economic environment (25.3%)
Australia	Increasing costs (46.3%)	Poor overall economic environment (26.6%)	Cash flow difficulties (24.1%)
Chinese Mainland	Increasing costs & competition (27.7%)	Poor overall economic environment (23.2%)	Rising interest rate (23%)
Hong Kong	Increasing costs (29.2%)	Increasing competition (27.9%)	Poor overall economic environment (26.9%)
India	Increasing costs (41.9%)	Increasing competition (36.1%)	Cash flow difficulties (30%)
Indonesia	Increasing competition (49.8%)	Increasing costs (38.3%)	Poor overall economic environment (23.8%)
Malaysia	Increasing costs (48.1%)	Increasing competition (34.2%)	Increasing rent (24.5%)
New Zealand	Increasing costs (54%)	Poor overall economic environment (37.9%)	Tax (21%)
Philippines	Increasing competition (39.1%)	Increasing costs (37.1%)	Tax (33.1%)
Singapore	Increasing costs (35.1%)	Increasing competition (30.8%)	Difficulty expanding into new markets (27.9%)
Taiwan	Increasing costs (33.8%)	Poor overall economic environment (27.7%)	Staff costs (21.9%)
Vietnam	Increasing costs (45.5%)	Increasing competition (43.2%)	Tax (39.4%)

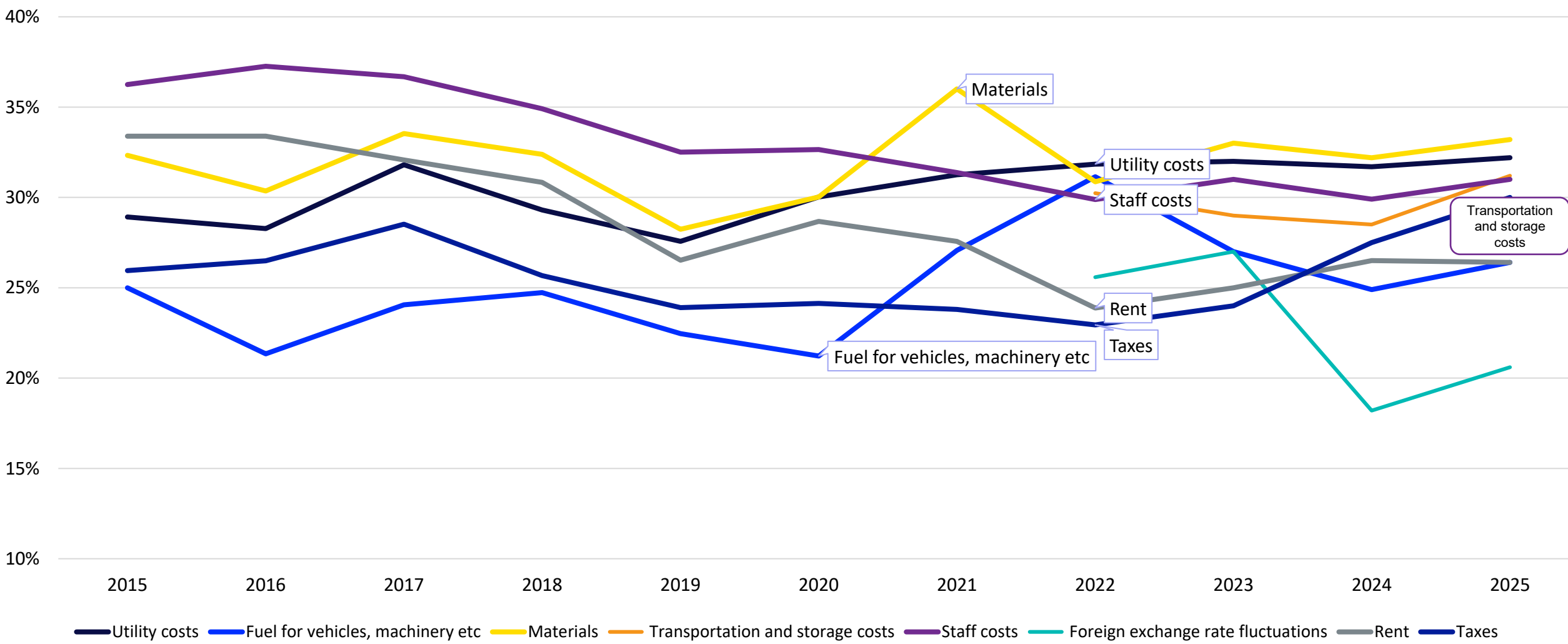
Rising costs and intensifying competition are key challenges facing small businesses across the region

Most popular negative influences on business in 2025 – by whether the business grew or not

	Most popular negative influence	Second most popular negative influence	Third most popular negative influence
Grew strongly	Increasing costs (41%)	Increasing competition (36%)	Tax (27.6%)
Grew a little	Increasing costs (37.4%)	Increasing competition (34.7%)	Rising interest rates (24%)
Unchanged / shrank	Increasing costs (39.9%)	Poor overall economic environment (31.6%)	Increasing competition (25.5%)

Materials continue to be the most significant cost concern for small businesses across the region

Cost increases that caused the business the most detriment – over time

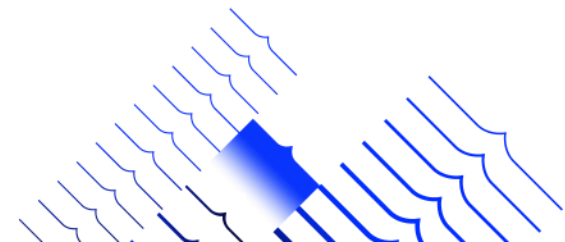
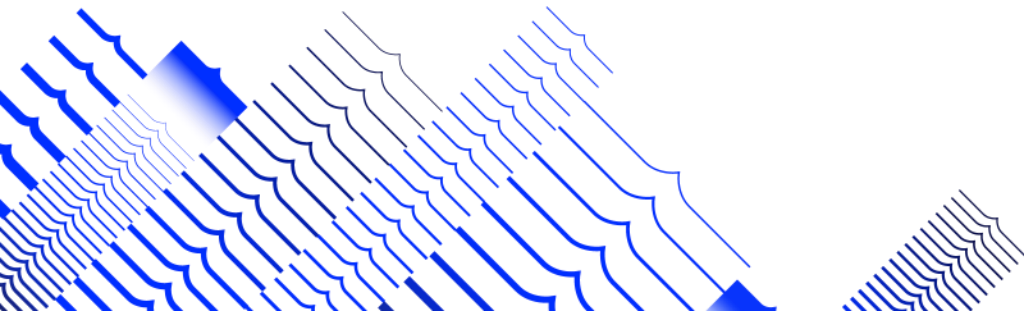


The background features a complex pattern of wavy, parallel lines in shades of blue and yellow, creating a sense of depth and movement. Several large, semi-transparent yellow and blue geometric shapes, resembling trapezoids or parallelograms, are overlaid on the pattern, adding a modern, architectural feel to the design.

BUSINESS SOLVENCY

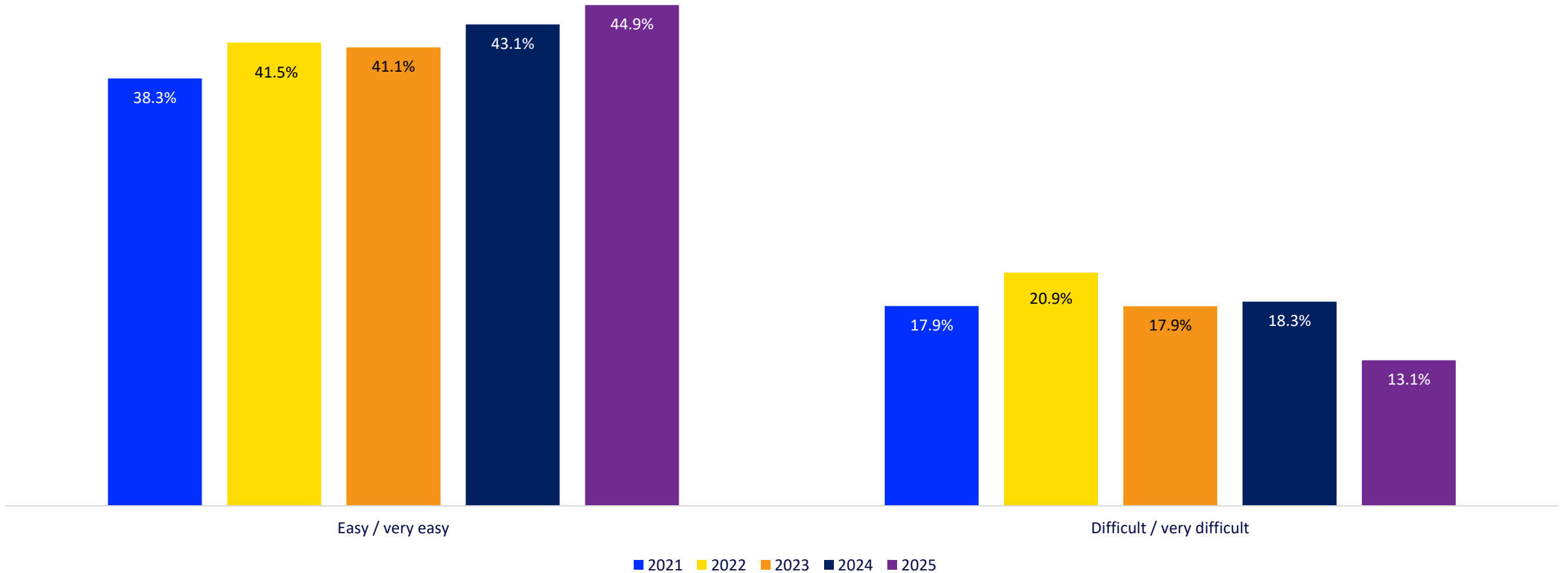
Small business' ability to pay their debts

- Despite rising interest rates and higher costs, most small businesses continue to find debt repayment manageable, with conditions improving steadily over the past five years.
- In 2025, small businesses overwhelmingly reported ease in meeting debt obligations across most markets, with the Philippines the exception
- Small businesses with more employees were significantly more likely to find debt repayment easy, while sole traders and those with four or less employees struggled the most.
- Banking, transport, manufacturing, and construction were the most likely to report it easy to repay their debts, while administrative services, health care, accommodation/food, and agriculture faced more difficulty, likely due to tighter margins and sector-specific cost pressures.



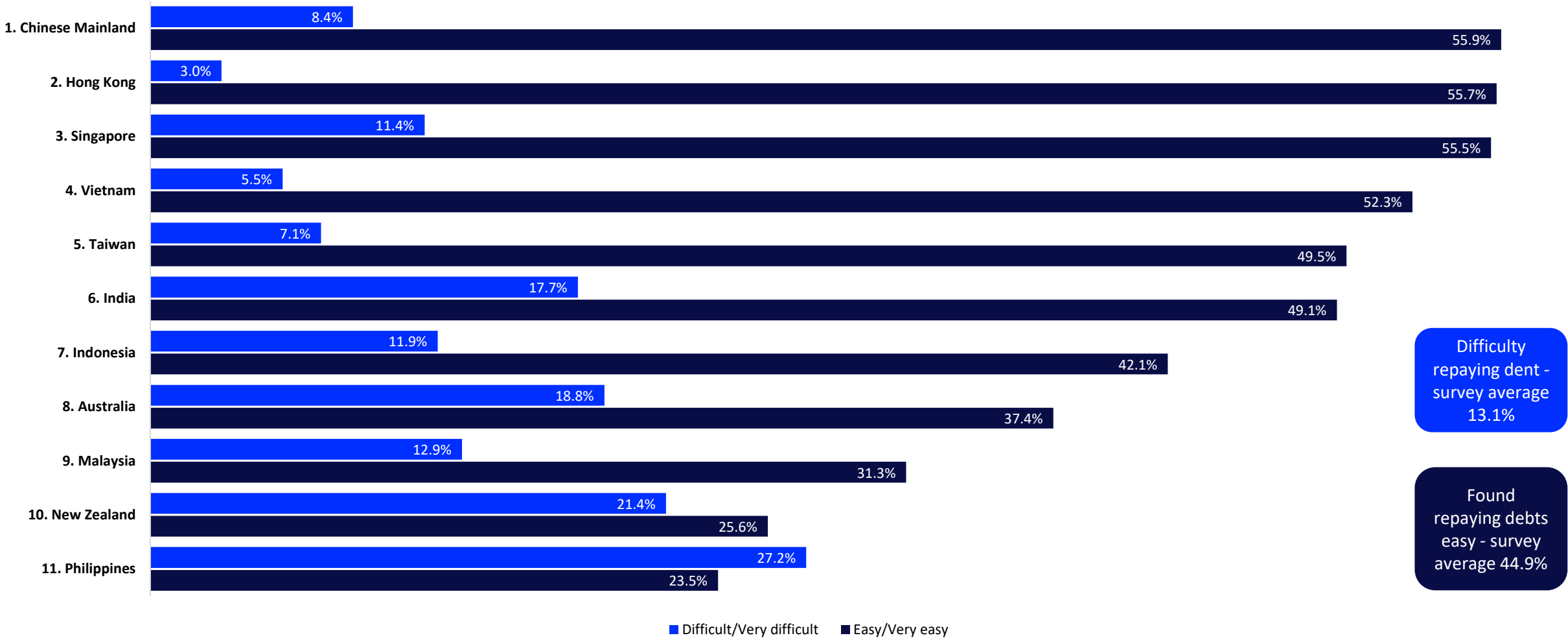
Despite higher interest rates and cost pressures, debt repayment remains manageable for most businesses

Business experience in paying debts – over time



In most markets, small businesses were significantly more likely to report ease rather than difficulty in repaying debt in 2025, with the Philippines the sole exception

Business experience in debt repayment in 2025 – ranked easiest to least easiest



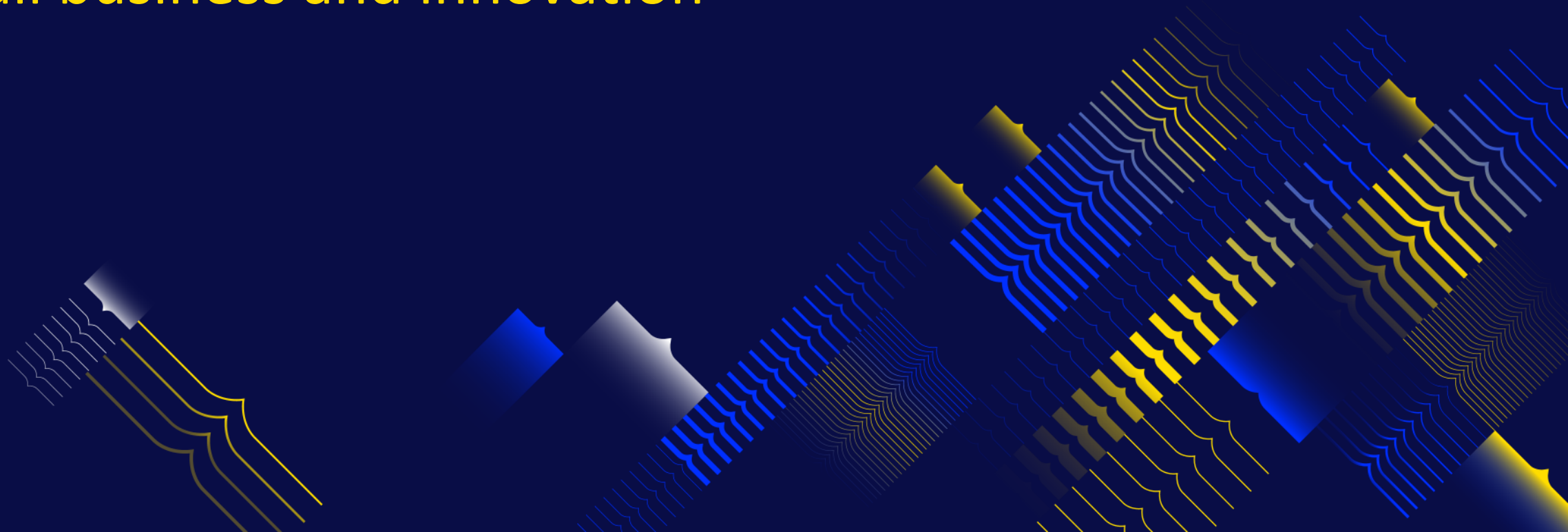
Top five industries that found paying their debts was easy or very easy in 2025

1. Banking, finance or insurance – 59.9%
2. Transport and warehousing – 54.8%
3. Manufacturing – 54.6%
4. Property and construction – 54.3%
5. Retail trade – 48.8%

Top five industries that found paying their debts was difficult or very difficult in 2025

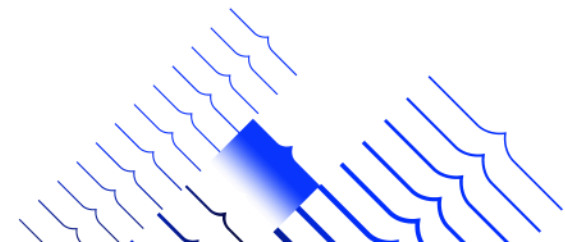
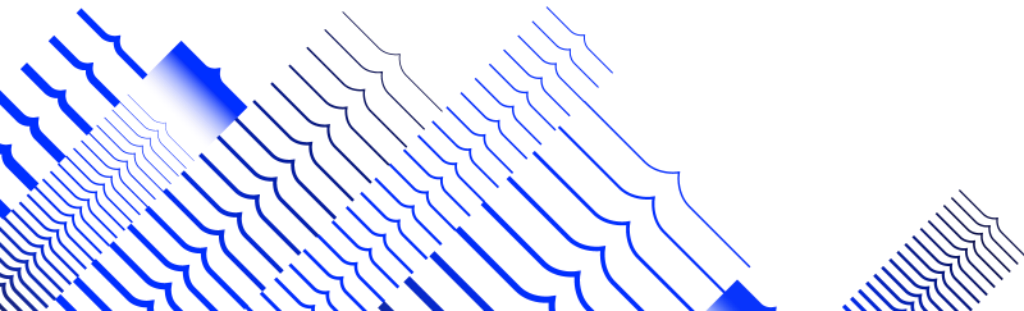
1. Administrative and support services – 18.1%
2. Health care and social assistance – 17.8%
3. Accommodation and food services – 17.4%
4. Agriculture, forestry and fishing – 16.3%
5. Professional, scientific and technical services – 15.1%

Small business and innovation



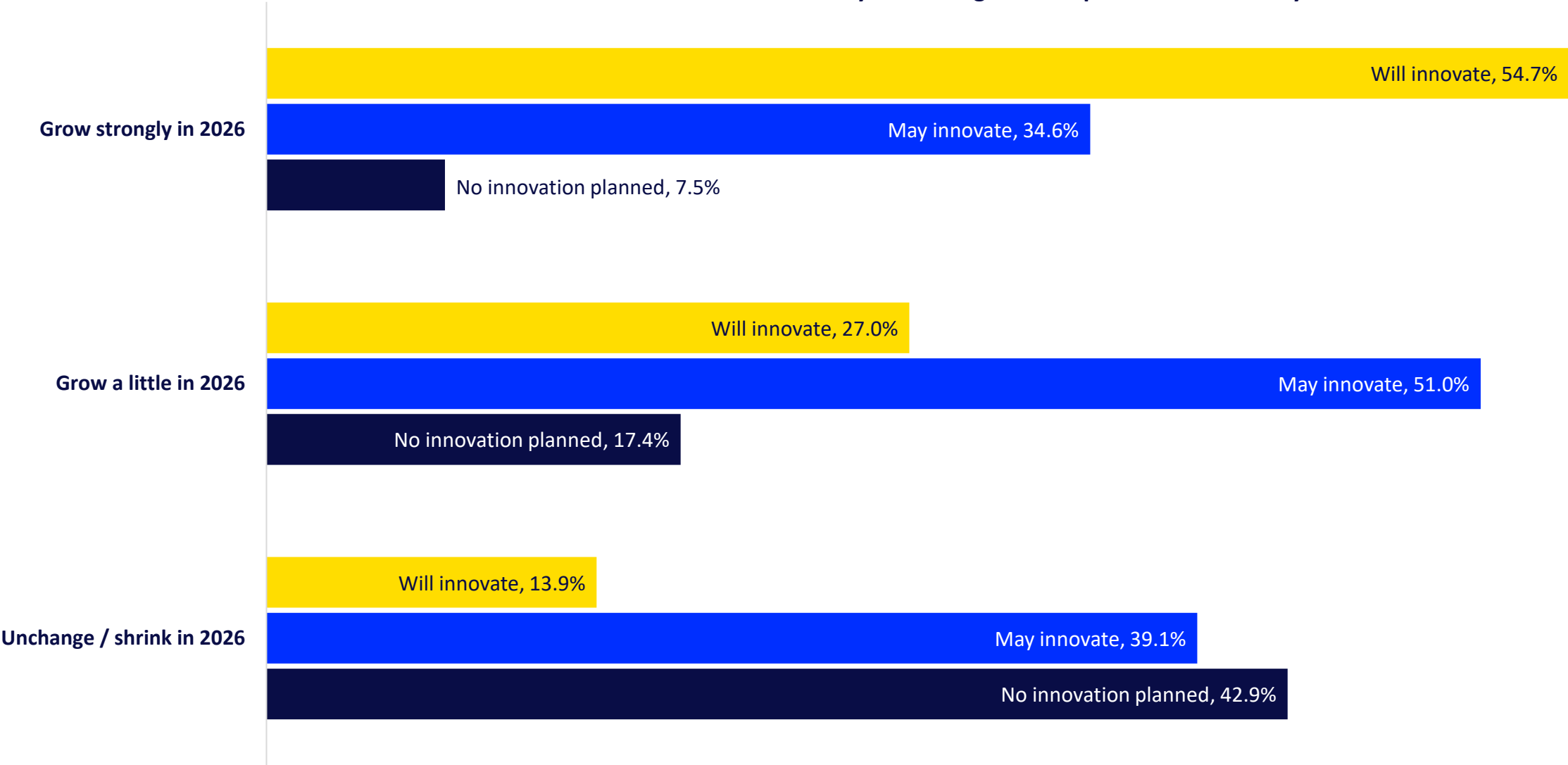
The impact of innovation on small business

- High-growth small businesses are far more likely to innovate than low-growth or shrinking firms.
- Nearly half of Singapore's small businesses say they will innovate in 2026, the highest share in the region. New Zealand's small businesses are the least likely to report they will innovate in 2026.
- Business owners with a stronger appetite for risk-taking and those with long-term strategic visions show the strongest innovation intentions, while risk-averse owners are the least likely to innovate.
- Younger business owners are much more likely to report they will innovate in 2026, whereas older owners are more likely to report having no innovation plans.
- Businesses operating 5 to 20 years are the most likely to say they will innovate, while those established for more than 20 years are the least likely.
- Firms with more employees are more likely to innovate, while sole operators are the least likely.



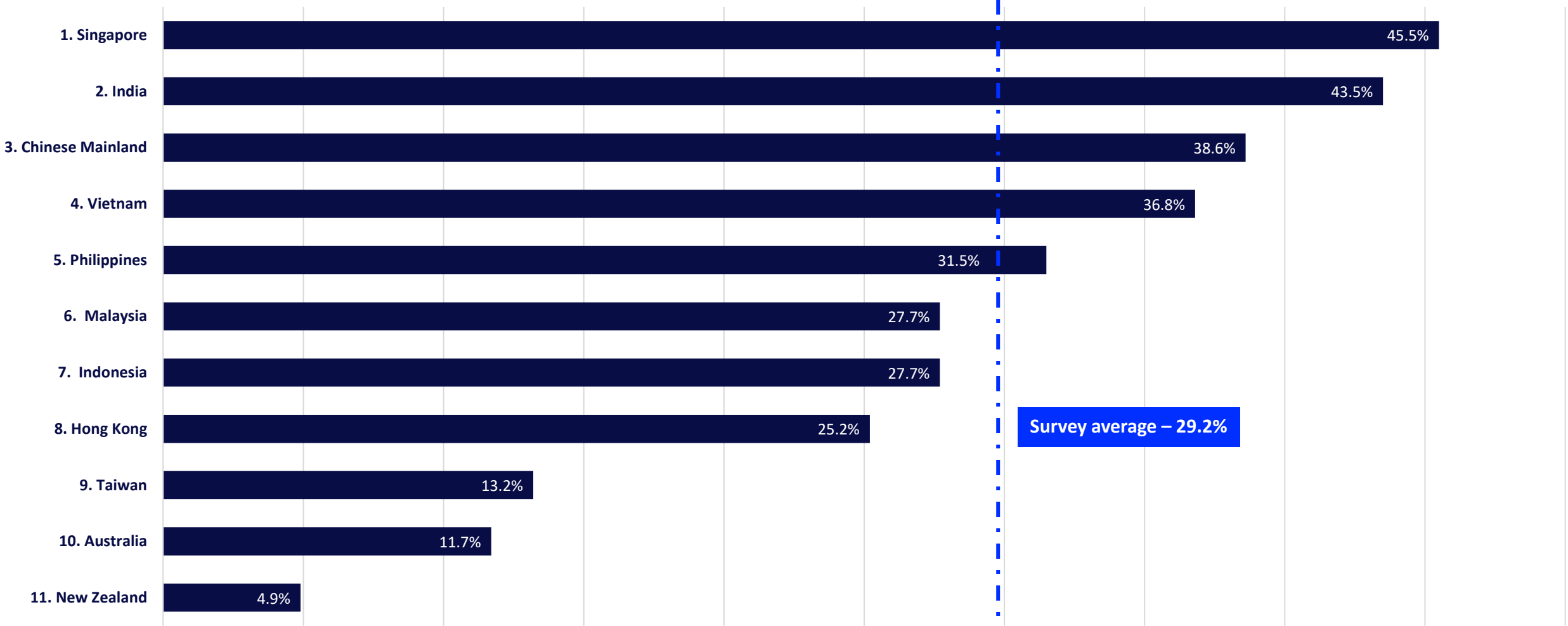
High growth small businesses are significantly more likely to report they will innovate this year

Small business innovation intentions in 2026 - by business growth expectations for that year



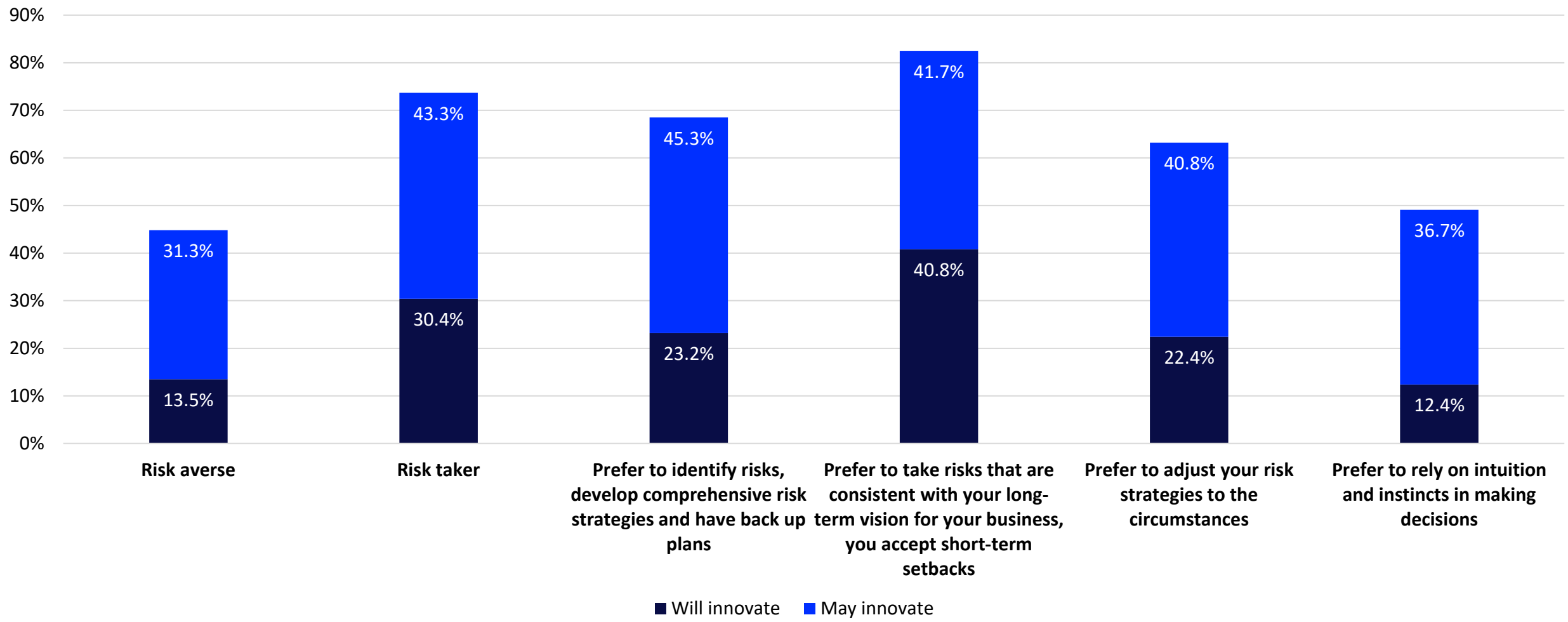
Nearly one in two small businesses in Singapore report they will innovate in 2026, while innovation plans remain minimal among New Zealand small businesses

Small businesses that state they will innovate in the next 12 months - by market and year



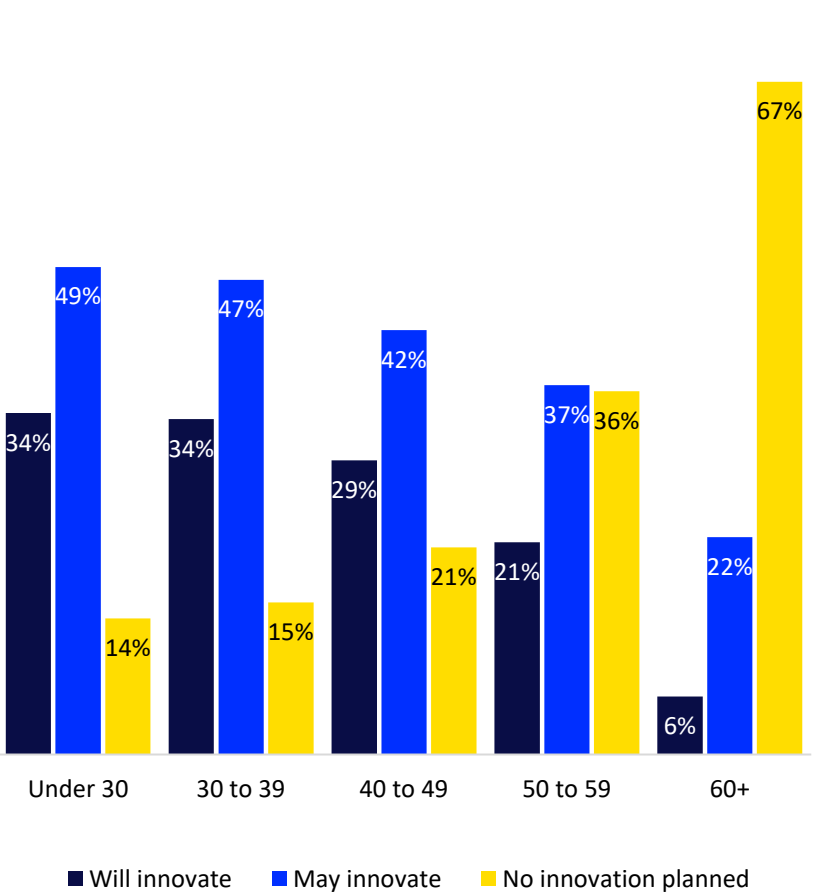
Risk-averse business owners show the weakest innovation intentions for 2026, while those willing to take calculated risks in line with a long-term strategy are the most likely to innovate

Small businesses that will/may innovate in the next 12 months by risk appetite of business owner

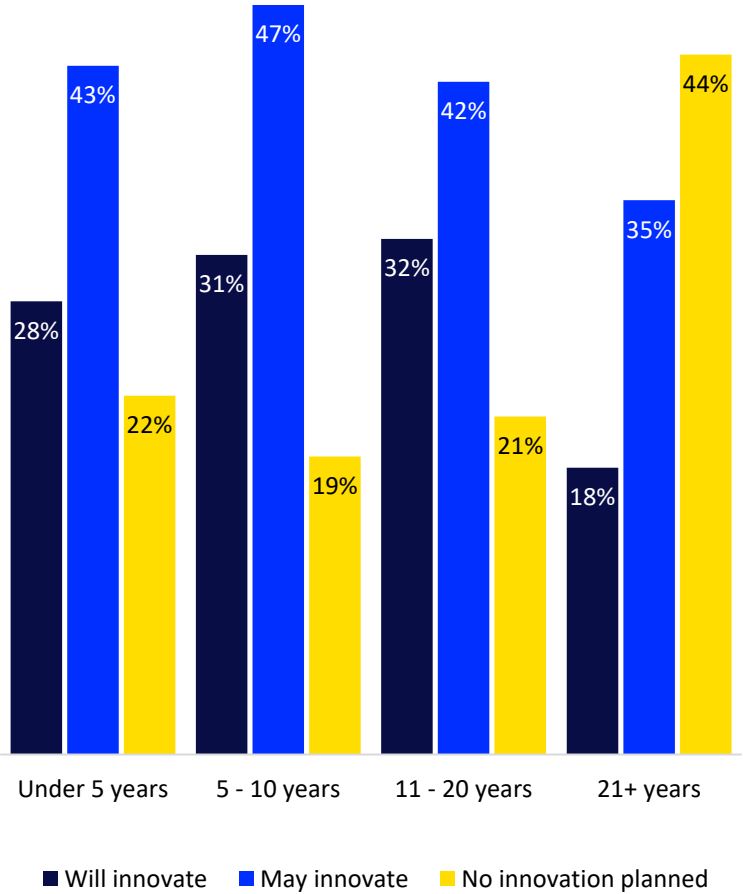


Innovation intentions for 2026 are strongest among younger business owners, mid-aged businesses (5 to 20 years), and firms employing 5 to 19 people

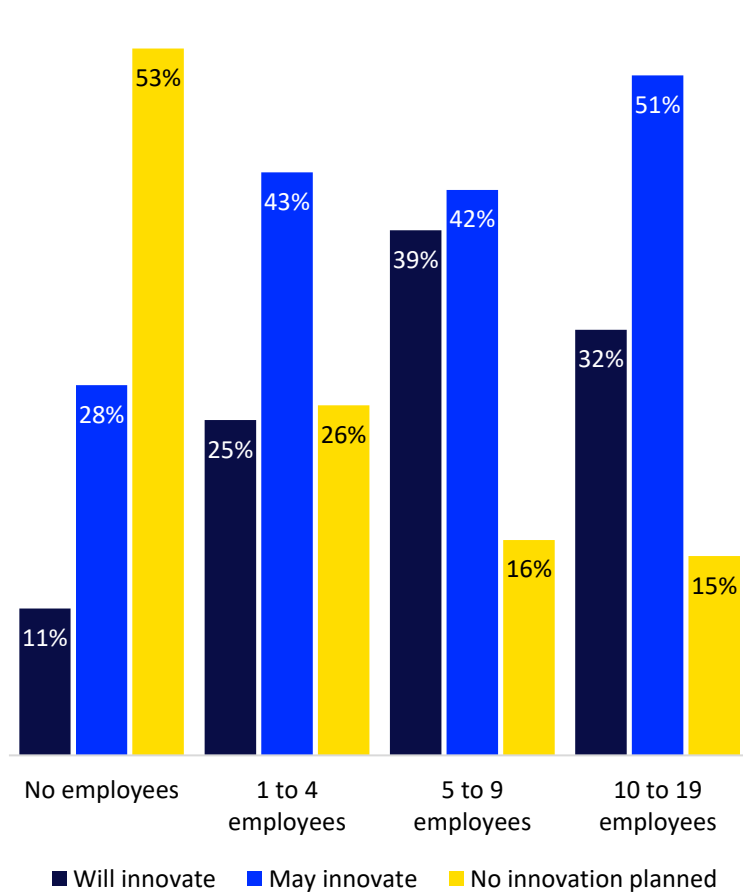
Small businesses innovation intentions in 2026 - by age of business owner



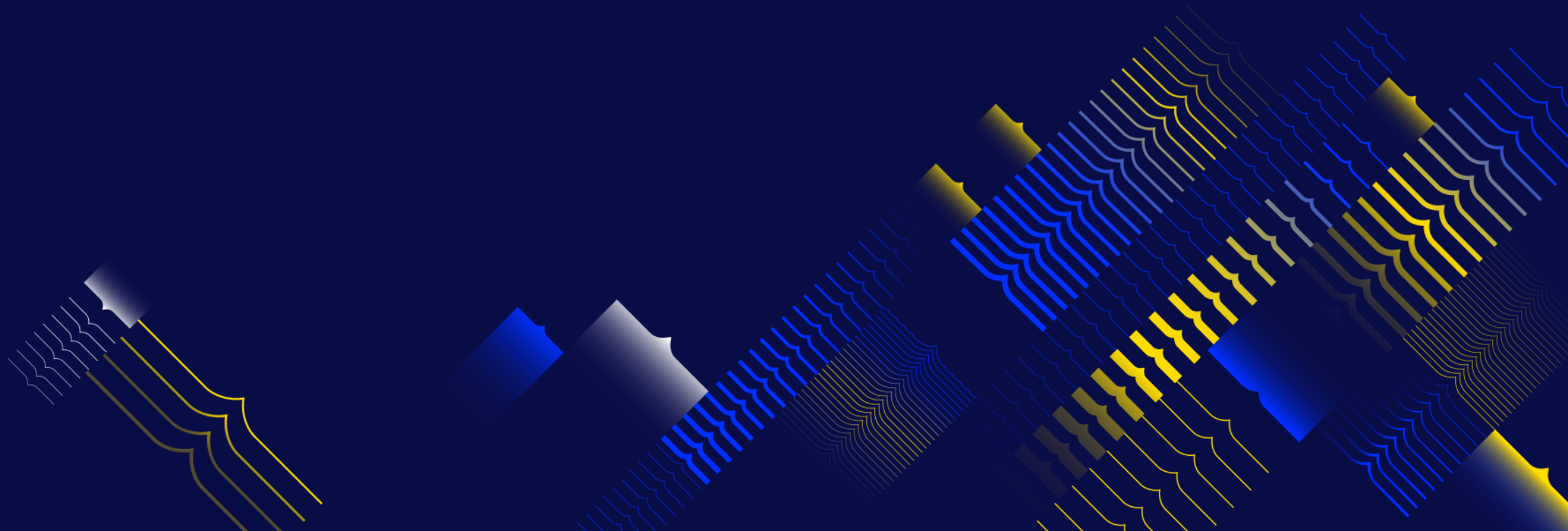
Small business innovation intentions in 2026 - by age of business



Small business innovation intentions in 2026 - by number of employees



Small business expectations in 2026

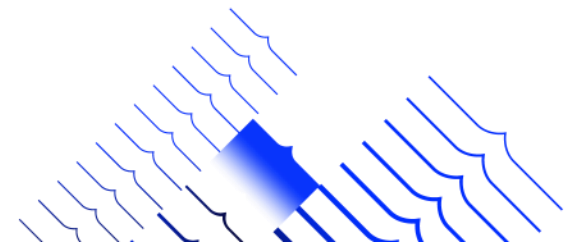
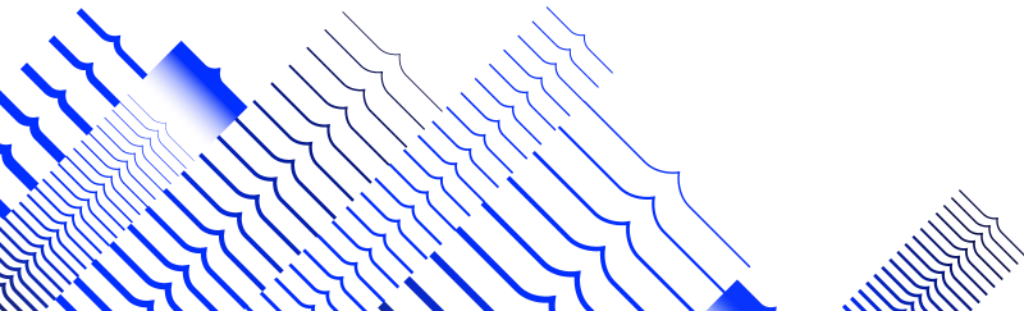


The background features a vibrant blue color with intricate, overlapping wavy patterns in shades of yellow and white. These patterns resemble stylized water ripples or digital data flows. Several semi-transparent, geometric shapes, including squares and rectangles, are scattered across the composition, some appearing to be layered or overlapping the wavy patterns.

SMALL BUSINESS GROWTH EXPECTATIONS FOR 2026

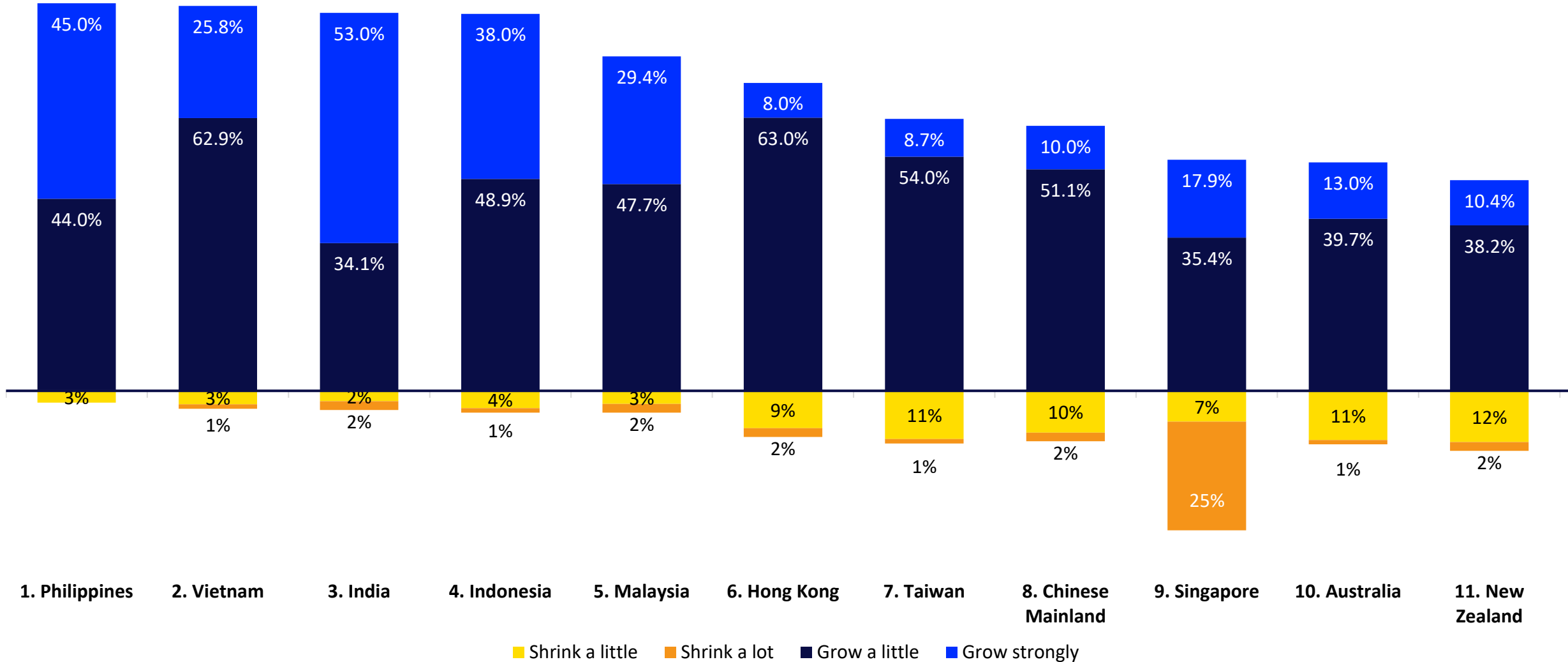
Small business growth expectations for 2026

- Most markets expect strong growth in 2026, with many returning to pre-COVID optimism levels. While growth expectations vary widely by market, the overall trend across Asia-Pacific is upward.
- India, Indonesia, and Vietnam show the strongest growth expectations for. Singapore, Australia, and New Zealand show more moderate outlooks.
- Younger business owners are consistently more optimistic about growth than older owners, with growth expectations declining steadily with age and is lowest among business owners aged 60 and over.
- Younger businesses, particularly those operating for under ten years, are more confident about their growth prospects for 2026, while long-established firms (21+ years) report the weakest expectations..
- Firms with more employees are much more likely to expect to grow in 2026, with businesses employing 10 to 19 people the most optimistic, while sole operators report the weakest growth expectations.



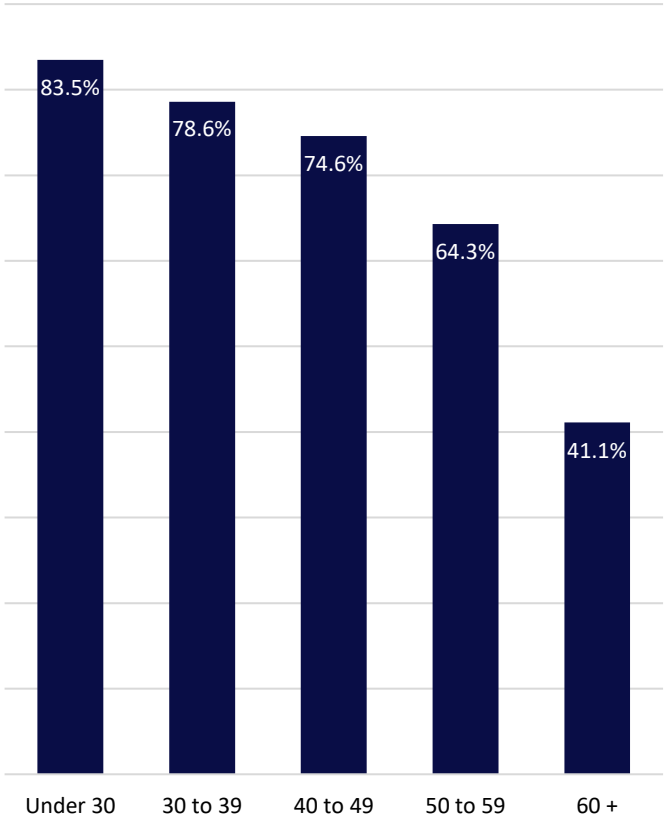
Small business sentiment for 2026 is positive across all markets, expect New Zealand, where fewer than half of businesses expect to grow

Small business growth expectations for 2026 – by market

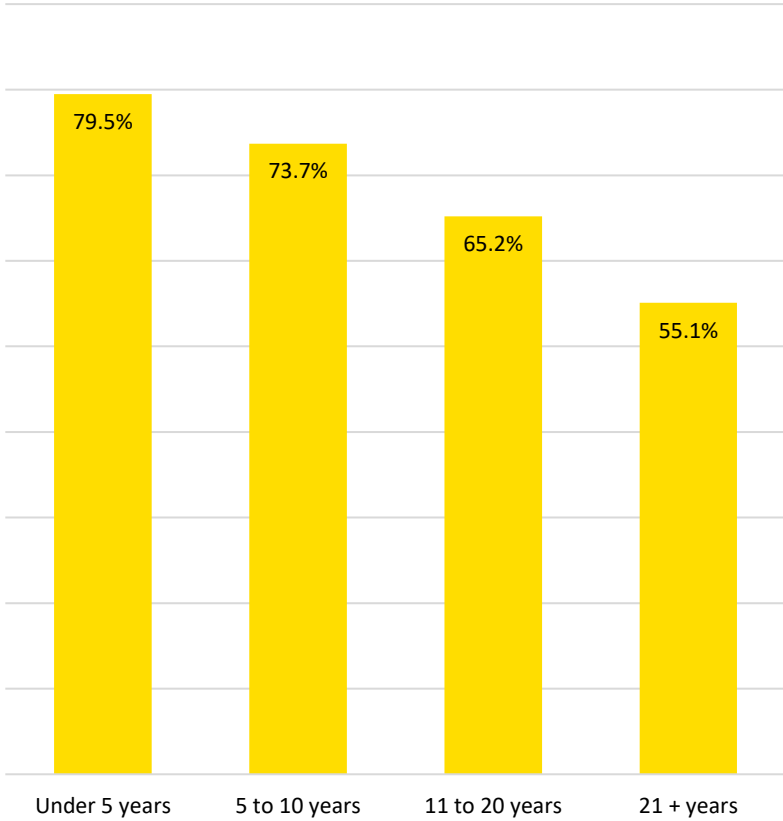


Positive business sentiment in 2026 is strongest among younger owners, younger businesses and firms with employees

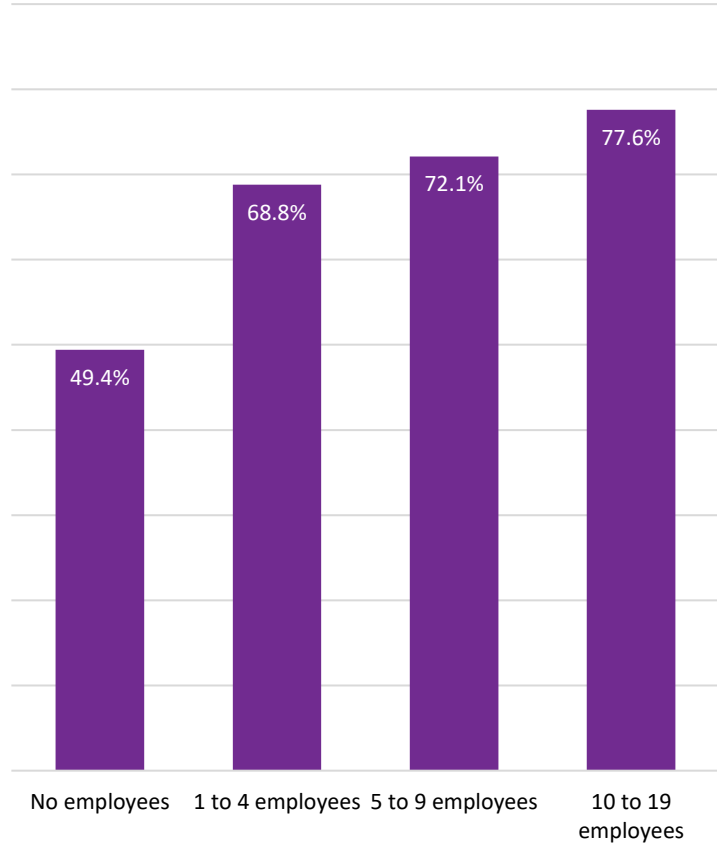
Small business that expect to grow in 2026 –by age of business owner



Small business that expect to grow in 2026 – by age of business



Small business that expect to grow in 2025 – by business size

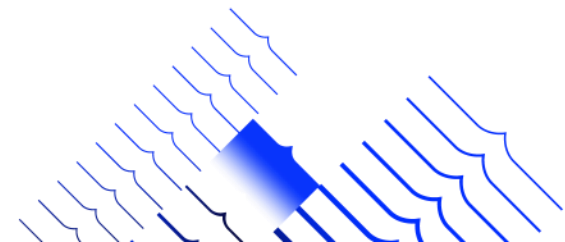
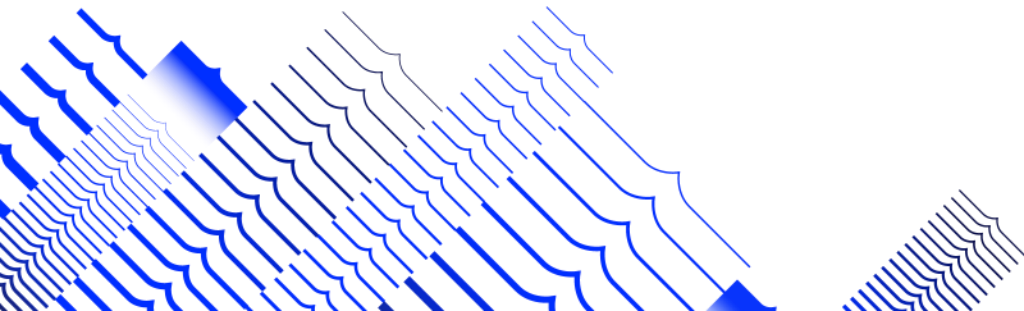




EXPECTATIONS FOR ADDING
EMPLOYEES IN 2026

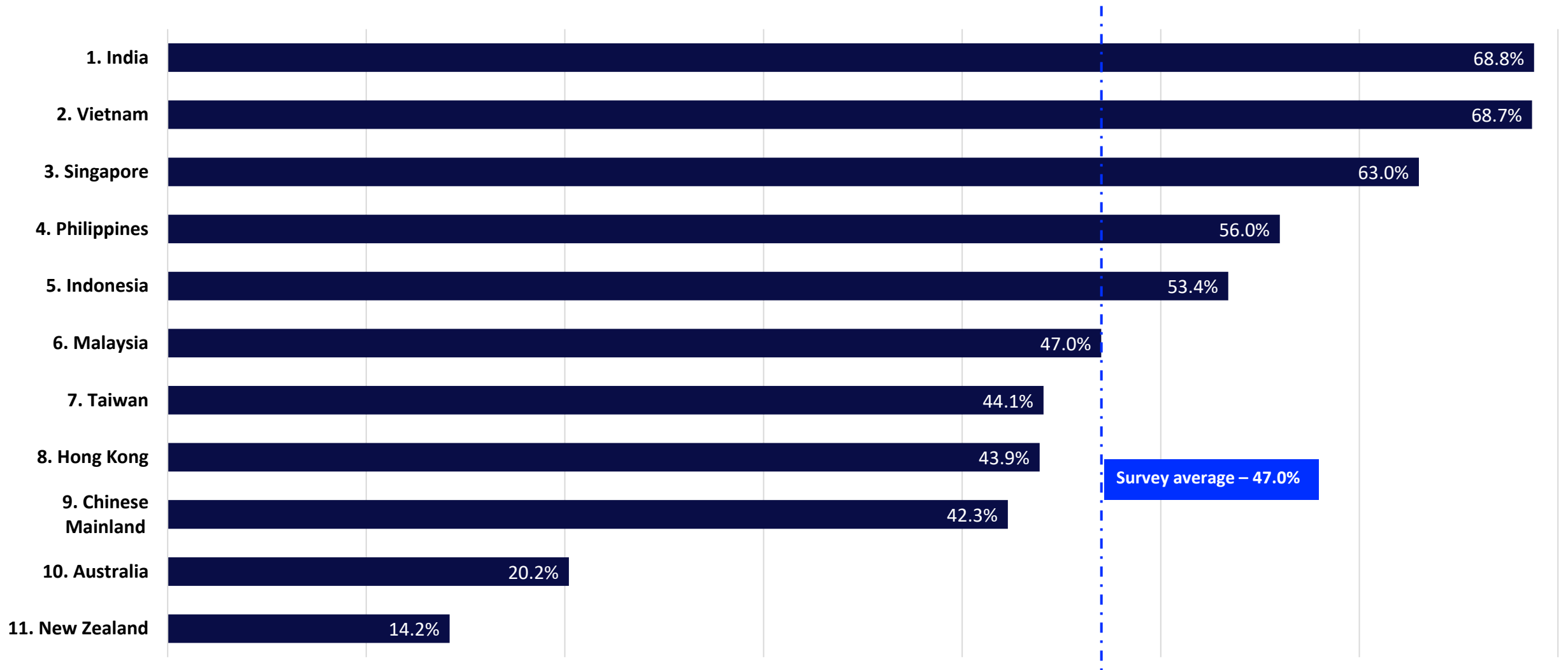
Small business job creation expectations for 2026

- India and Vietnam lead job-growth expectations for 2026, with Singapore, Philippines, Indonesia also showing strong hiring plans.
- Australia and New Zealand continue to show the weakest hiring intentions.
- Younger business owners are far more likely to be planning staff increases in 2026, with hiring expectations declining steadily with age and lowest among owners aged 60 and over.
- Newer businesses, particularly those operating for less than ten years are more likely to be planning an increase in their headcount in 2026, while long-established firms (21+ years) are the least likely to expect to increase staff numbers.
- The industries with the strongest expected employment growth are:
 - Banking/finance/insurance
 - Manufacturing
 - Healthcare/social assistance
 - Transport/warehousing
 - Accommodation/food services & information/media/telecommunications



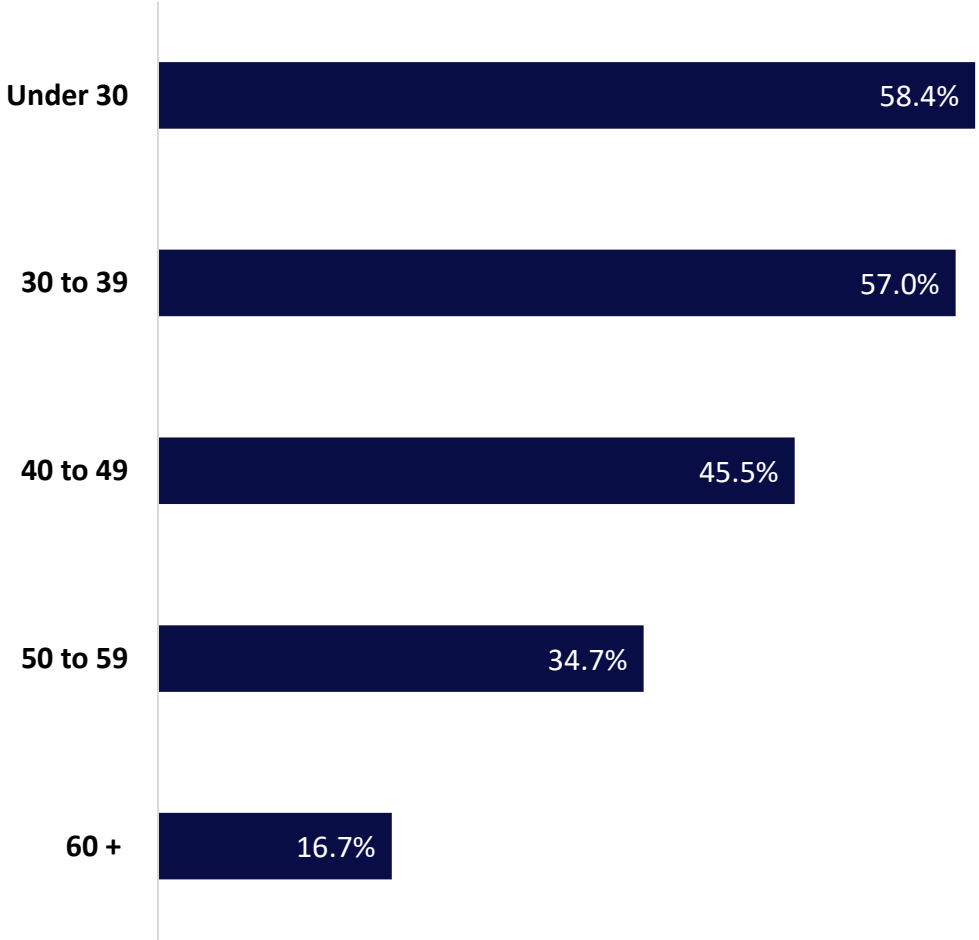
Expectations of strong job growth among Indian small businesses are closely aligned with their broader growth outlook for 2026

Expect to increase employee numbers in 2026 – by market

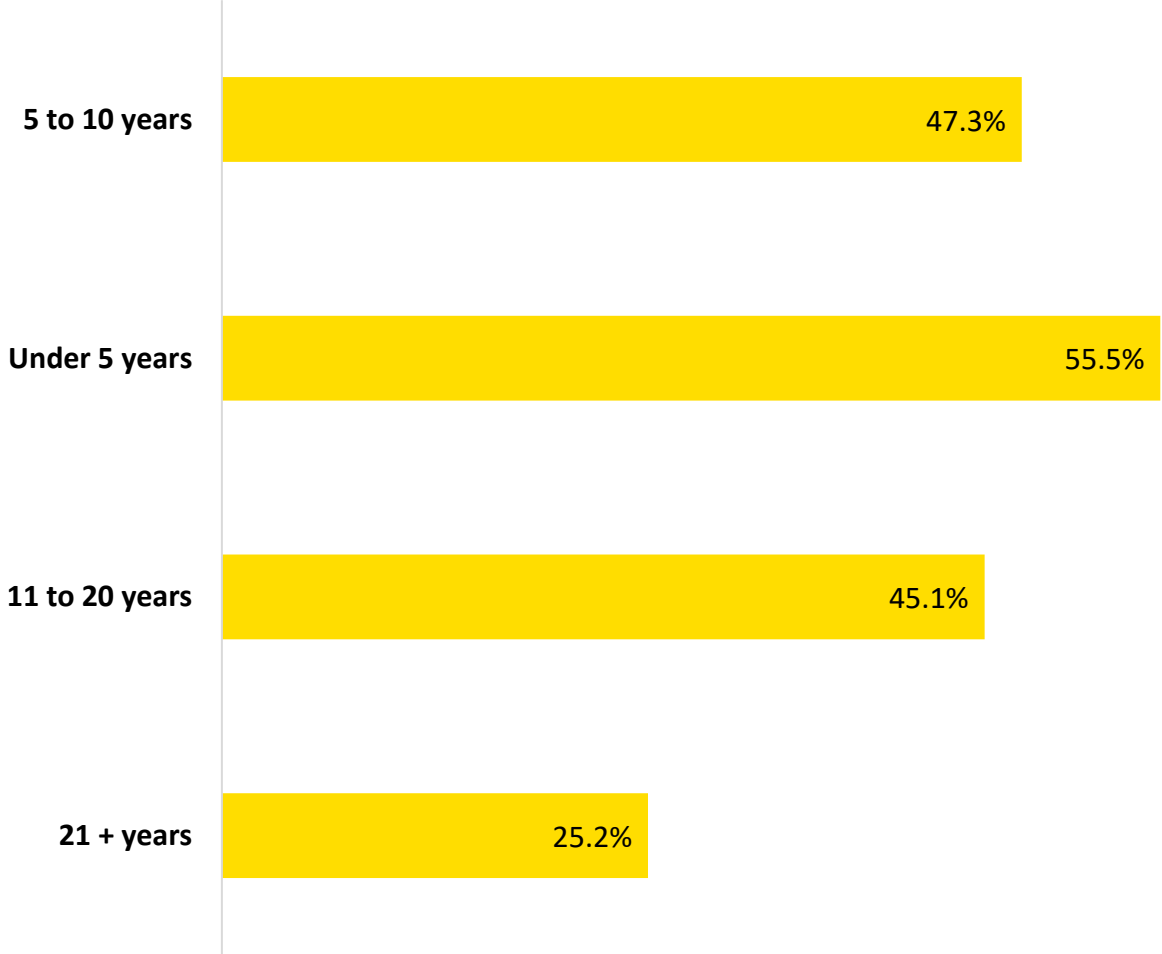


Younger business owners and younger businesses are more likely to expect to increase in employee numbers in 2026

Expect to increase employee numbers in 2026 – by age of business owner



Expect to increase employee numbers in 2026 – by age of business



Top five industries that expect to increase employee numbers in 2026

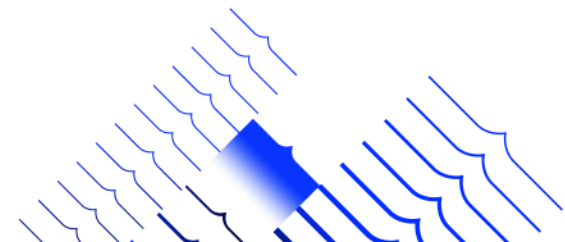
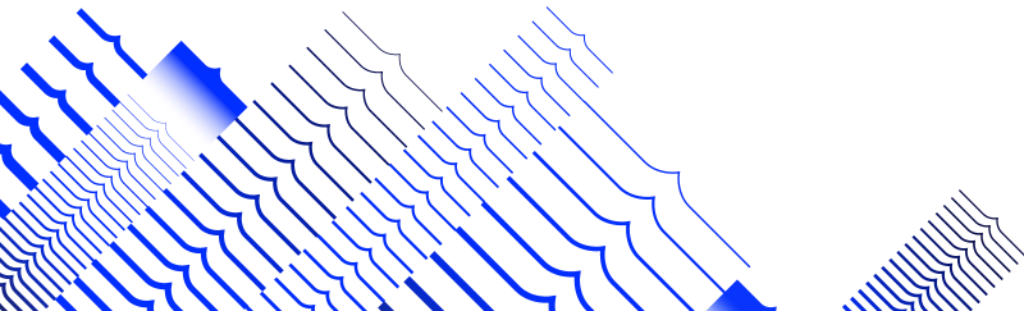
1. Banking, finance or insurance – 66.4%
2. Manufacturing – 62.5%
3. Health care and social assistance – 52.6%
4. Transport and warehousing – 50.3%
5. Accommodation and food services & Information, media and telecommunications – 48.6%

EXPECTED GROWTH IN EXPORT REVENUE

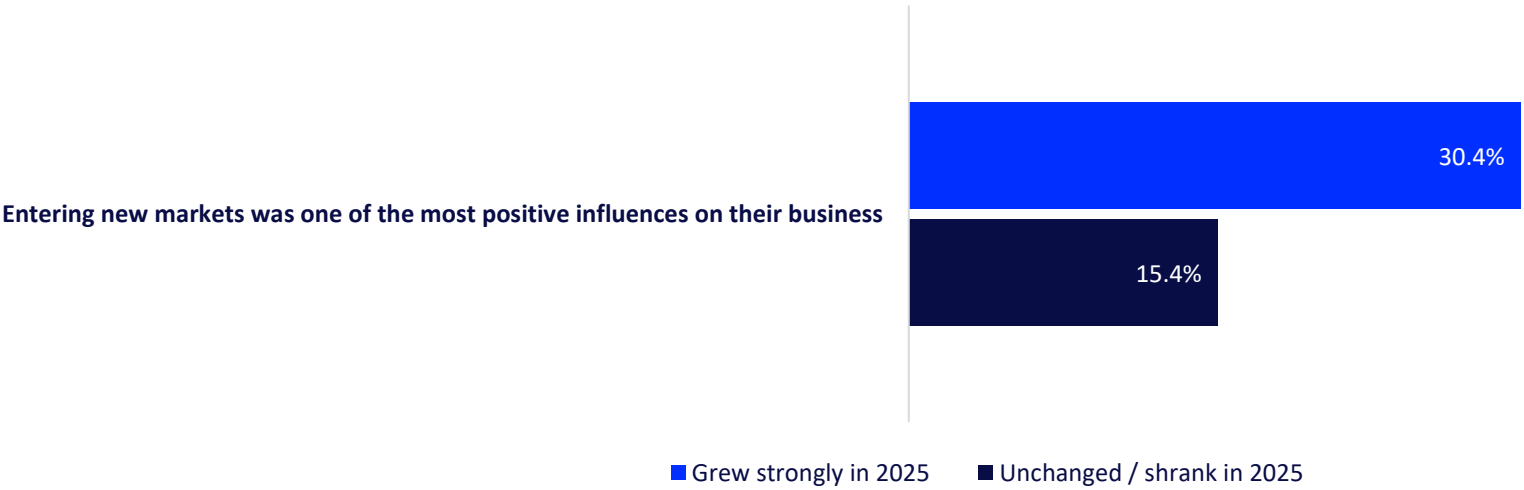
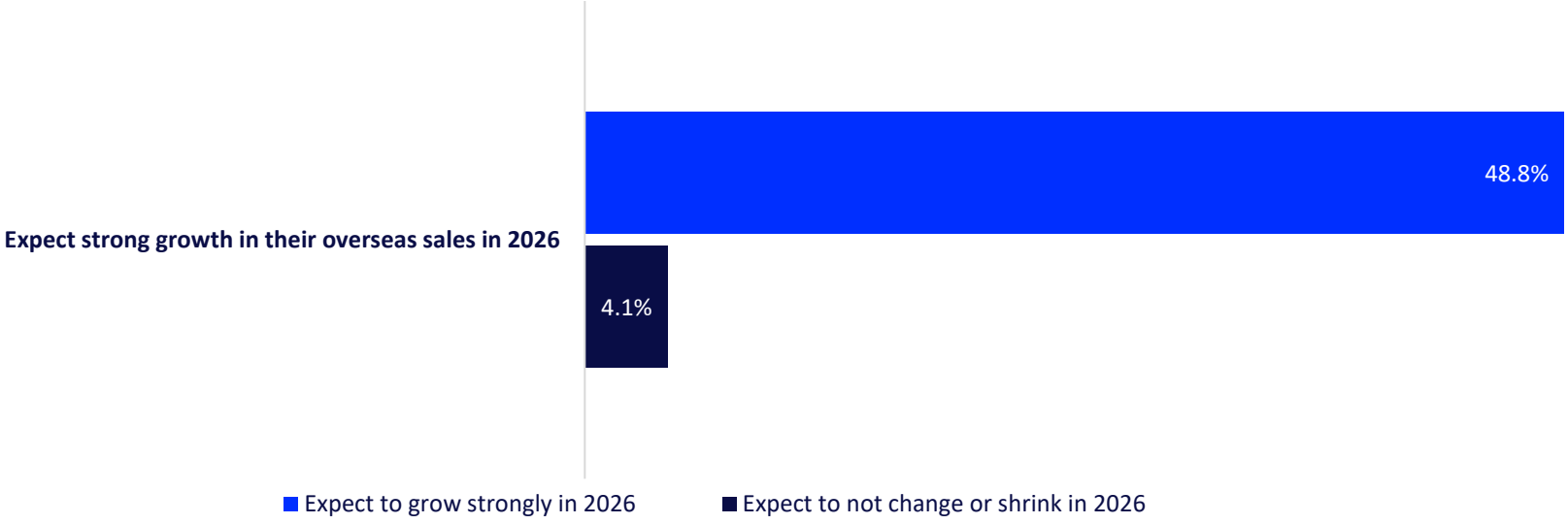


Small business and exporting

- High-growth small businesses are far more likely to expect strong growth in overseas sales in 2026.
- Entering new markets is a major positive driver for high-growth firms.
- Vietnam and India lead the region in expected overseas sales growth for 2026, with Hong Kong, Malaysia, and the Philippines also reporting strong export expectations. Australia and New Zealand again record the weakest outlook for overseas sales growth.
- Younger business owners are more likely to expect overseas sales growth in 2026, with export growth expectations declining steadily with age, and is lowest among owners aged 60 and over.
- Younger businesses established less than 10 years show a stronger export focus, while older businesses (21+ years) are less export-oriented.
- Small businesses with 5 to 19 employees are more focused on exporting. Small firms with no employees have the weakest export expectations.
- The industries with the strongest expectations for overseas revenue growth in 2026 are:
 - Banking/finance/insurance
 - Manufacturing
 - Transport/warehousing
 - Information/media/telecommunications
 - Wholesale trade

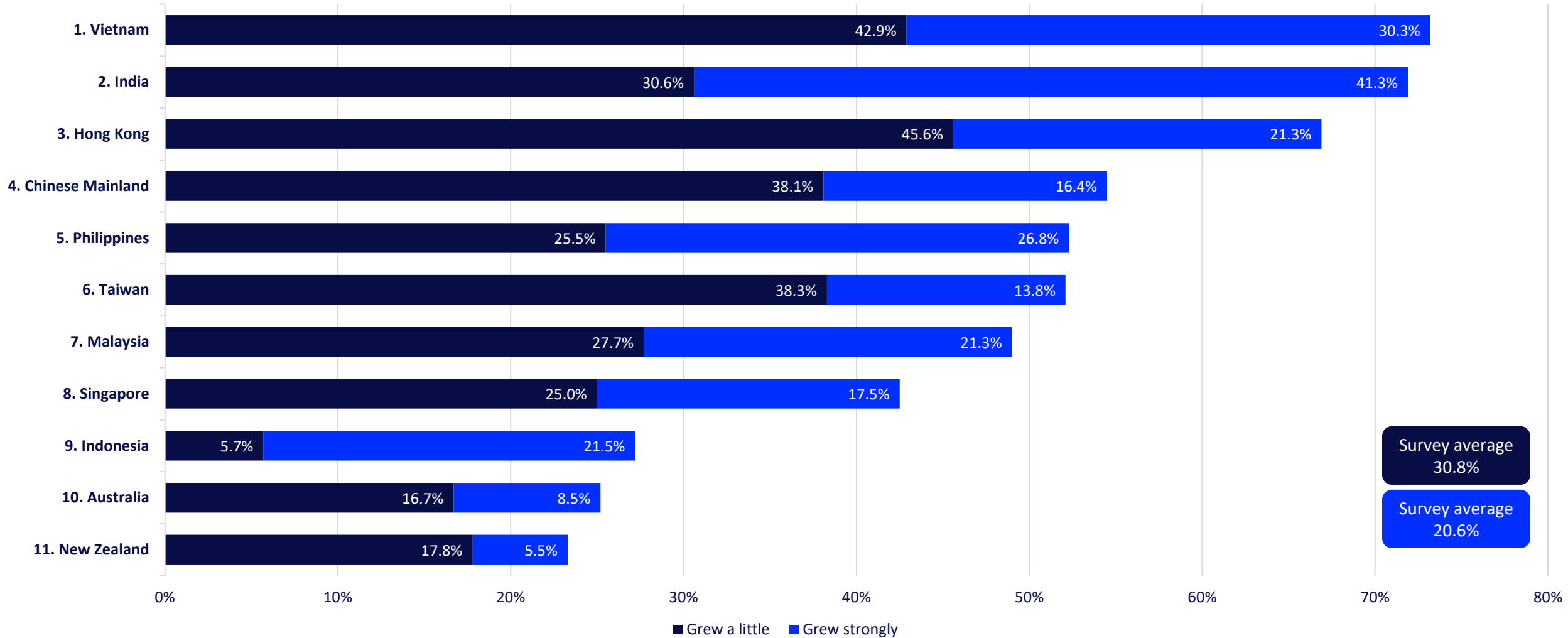


Expectations for overseas sales growth in 2026 are significantly stronger among high-growth small businesses



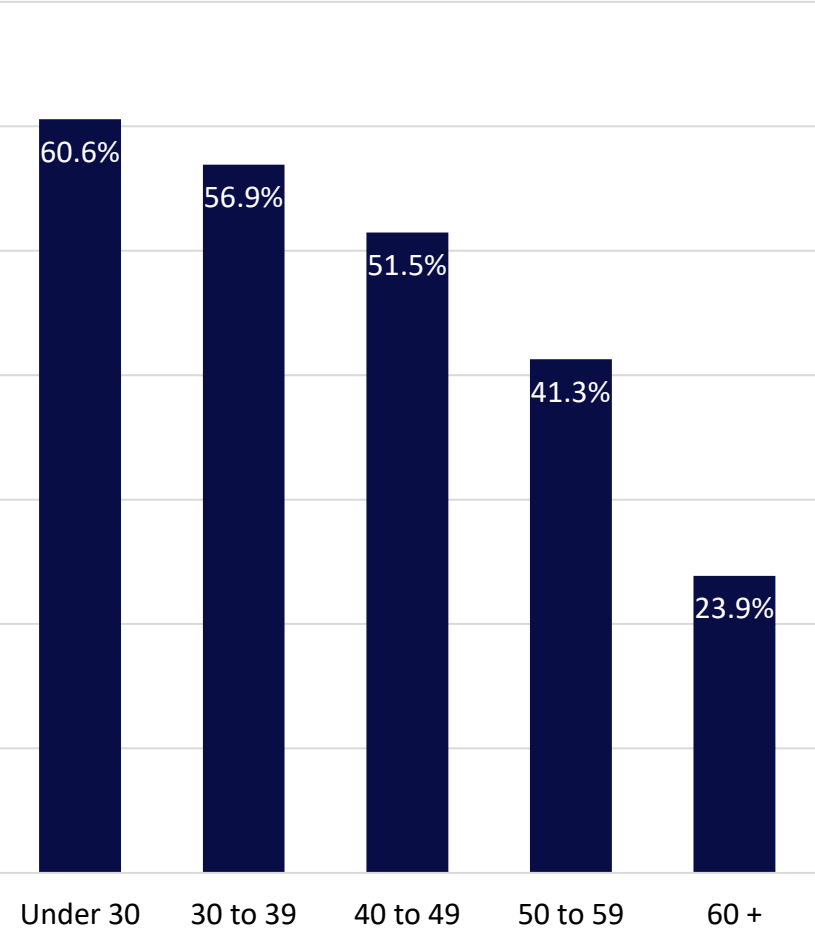
Vietnamese and Indian small businesses report the strongest expectations for overseas sales growth in 2026

Small businesses expecting overseas sales revenue will grow in 2026 - by market

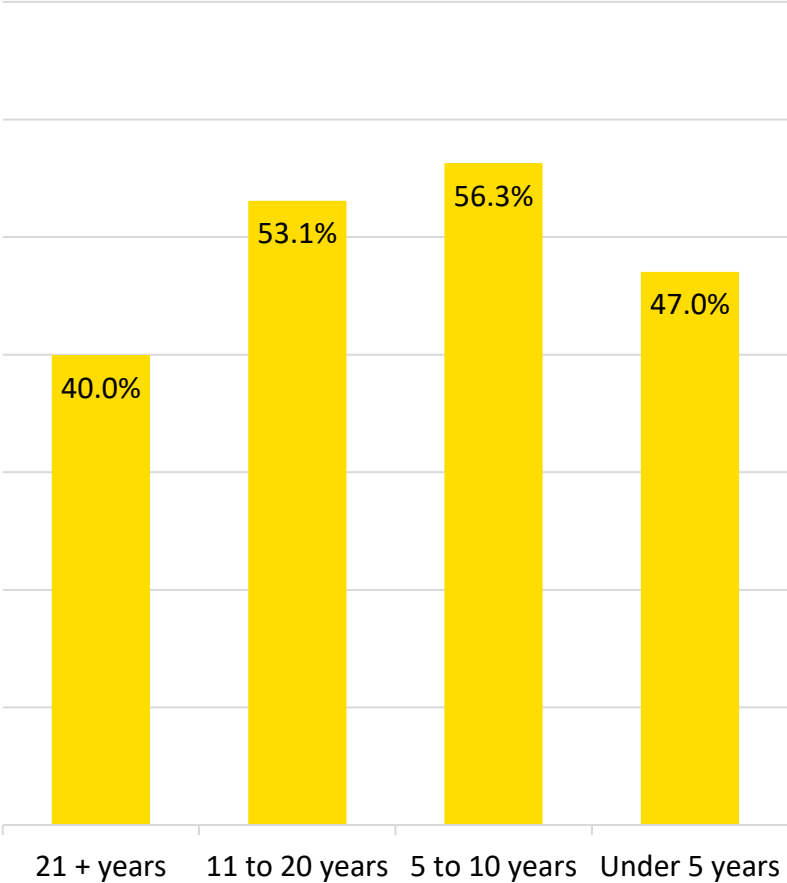


Positive export sentiment for 2026 is strongest among younger owners, mid-aged businesses and firms with employees

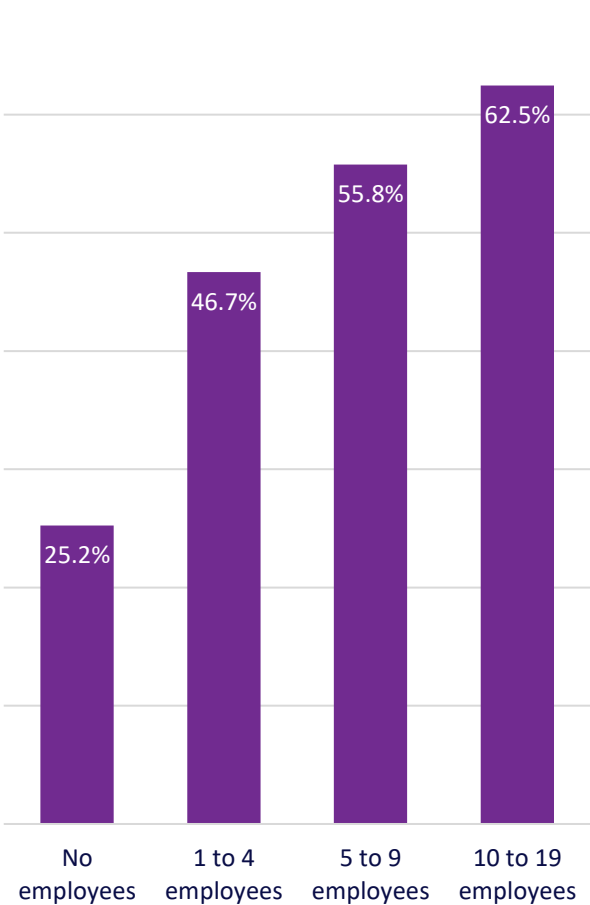
Small businesses expecting revenue from overseas sales will grow in 2026 – by age of business owner



Small businesses expecting revenue from overseas sales will grow in 2026 – by age of business



Small businesses expecting revenue from overseas sales will grow in 2026 – by number of employees



Top five industries expecting revenue from overseas sales to increase in 2026

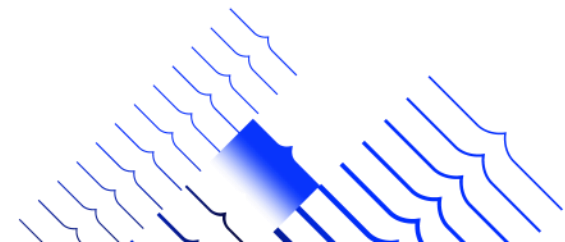
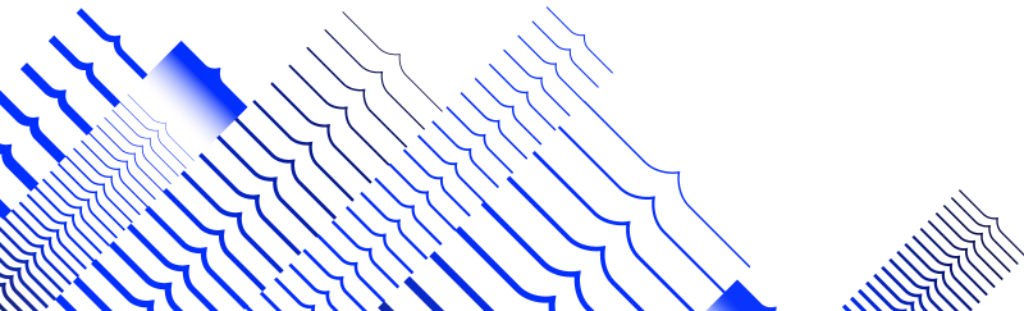
1. Banking, finance or insurance – 77.1%
2. Manufacturing – 69.4%
3. Transport and warehousing – 58.8%
4. Information, media and telecommunications – 55.4%
5. Wholesale trade – 53%

BUSINESS SOLVENCY EXPECTATIONS

The background features a complex, abstract pattern of wavy, overlapping lines in shades of blue and yellow. These lines form a series of parallel, slightly curved paths that create a sense of depth and movement. The overall composition is dynamic and modern, with a strong color palette of blue and yellow.

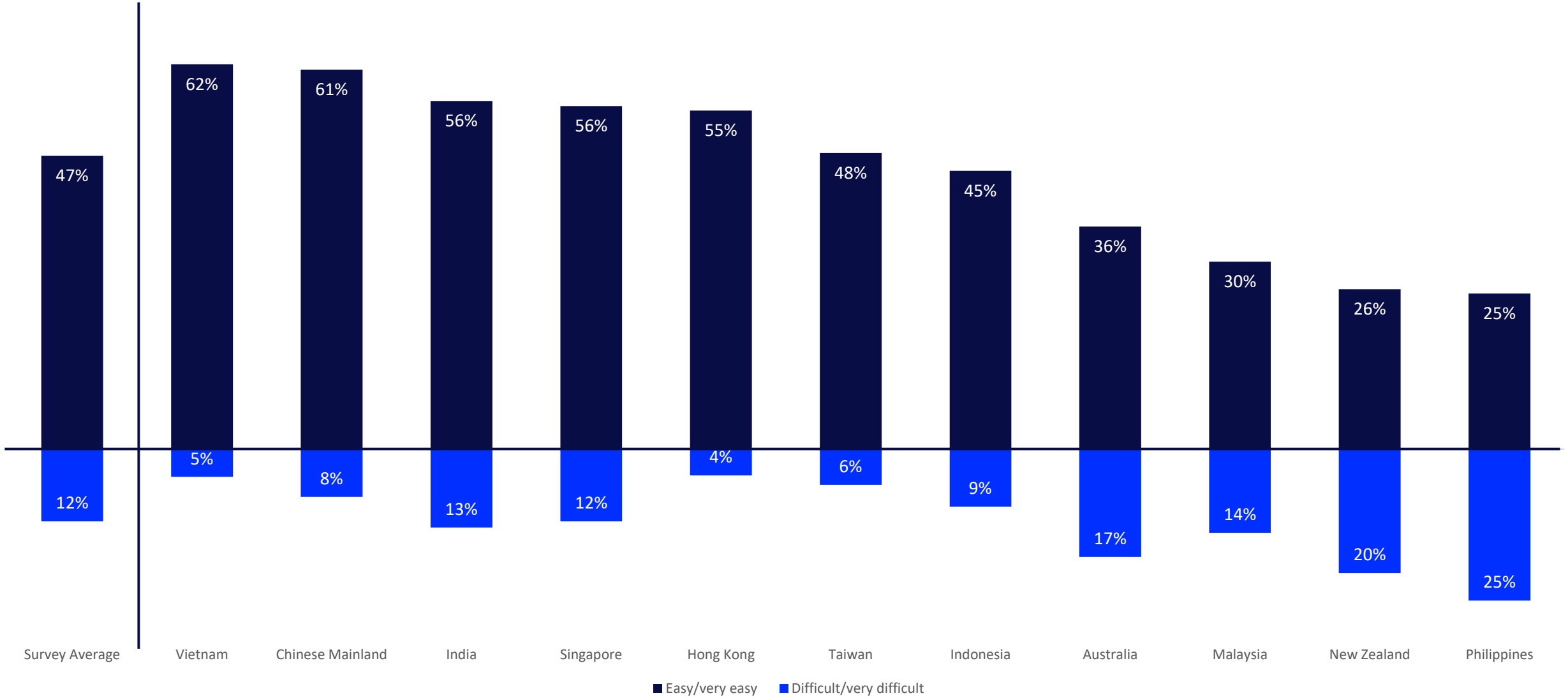
Small business paying their debts in 2026

- Solvency concerns for 2026 vary widely by market, with the Philippines expecting to face the greatest difficulty in meeting their debt obligations. New Zealand and Australia also show elevated solvency stress relative to the regional average.
- By contrast, small businesses from the Vietnam, Chinese Mainland, India, Singapore and Hong Kong expect it will be easier than not to repay debts in 2026,
- Solvency pressures are expected to rise sharply among small businesses in the Philippines this year, while solvency conditions in Hong Kong have improved markedly
- with Hong Kong showing marked improvements in solvency over recent years.
- Newer businesses (under five years old) are more likely to expect difficulty paying debts, while more established businesses (11–20 years) report the highest confidence in their ability to meet their debt obligations. Business owner age has little impact on solvency expectations.
- Sole operators are the most likely to expect difficulty repaying debt in 2026.



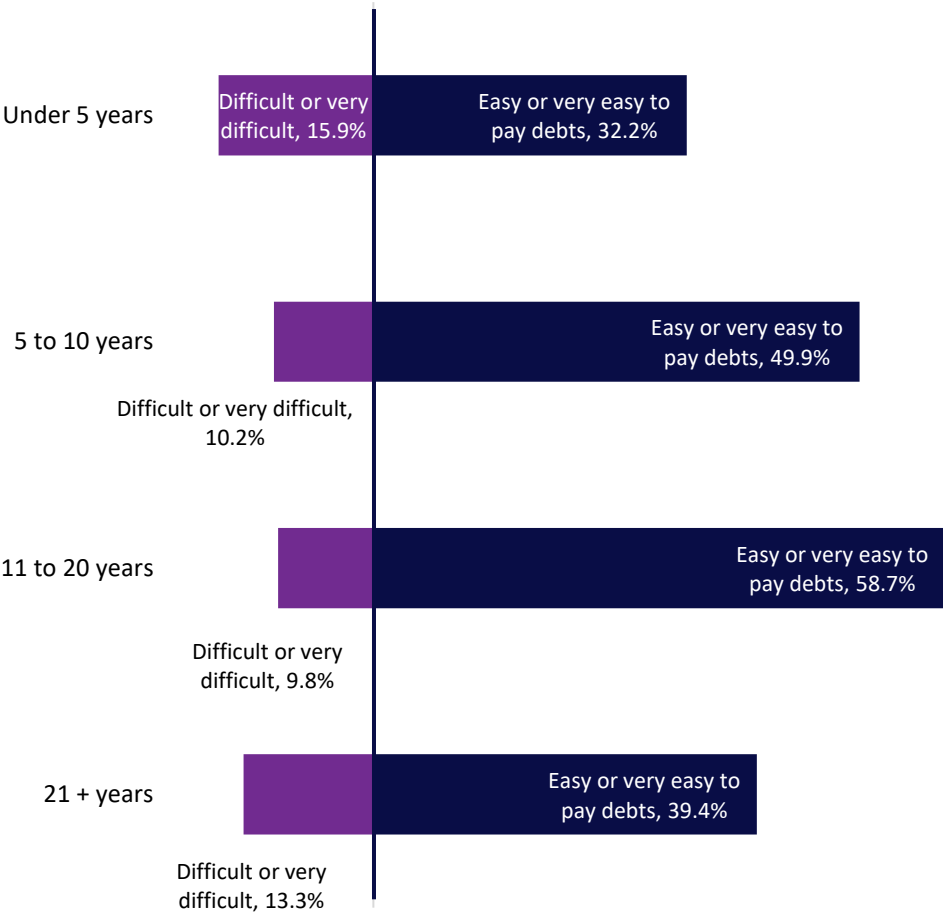
Solvency challenges are most likely to affect businesses in the Philippines this year

Expected ease or difficulty of debt repayment among small businesses in 2026 — by market

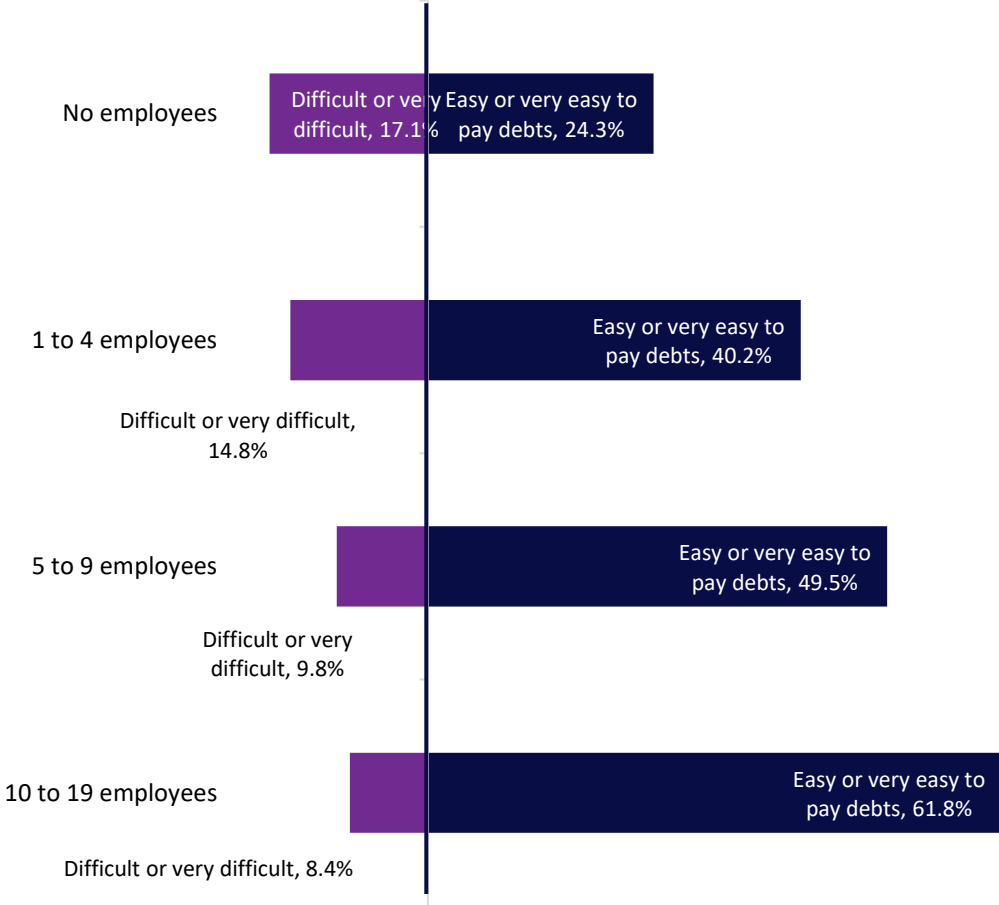


More established businesses (11 to 20 years) and firms with 10 to 19 employees report the highest confidence in meeting their debt obligations in 2026

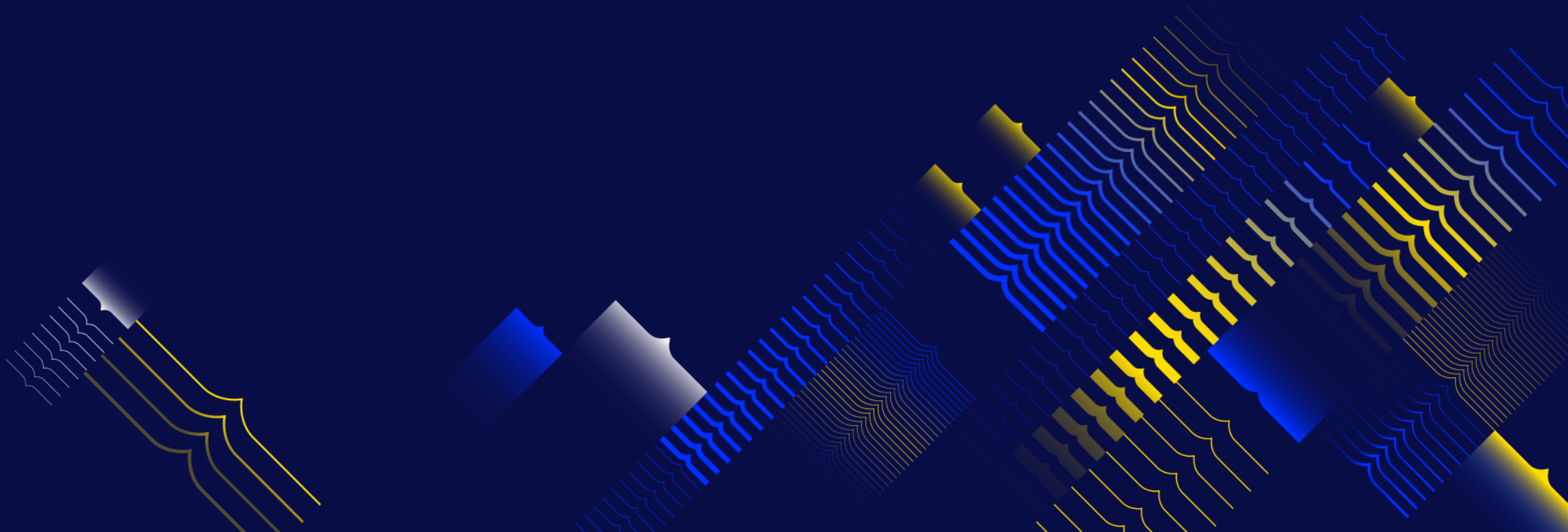
Small businesses that expect it will be easy or difficult to pay their debts in 2026 – by age of business



Small businesses that expect it will be easy or difficult to pay their debts in 2026 – by size of business



Access to finance





REQUIRED EXTERNAL FINANCE IN 2025

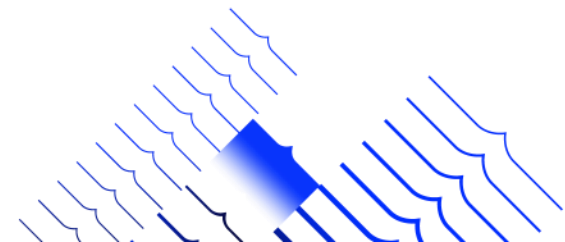
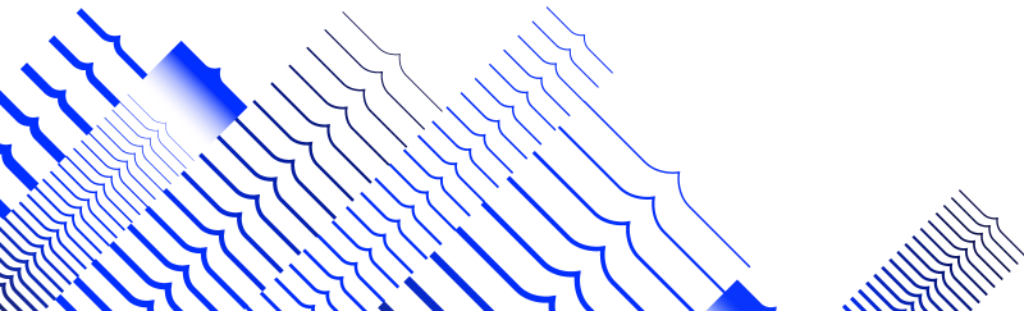
Small businesses requiring finance in 2025

Vietnam, India and Indonesia were the most likely to require external finance in 2025, while Australia and New Zealand were the least likely to sought finance.

Younger business owners are more likely to have needed external finance, with demand dropping sharply with age and is lowest among owners aged 60 and over.

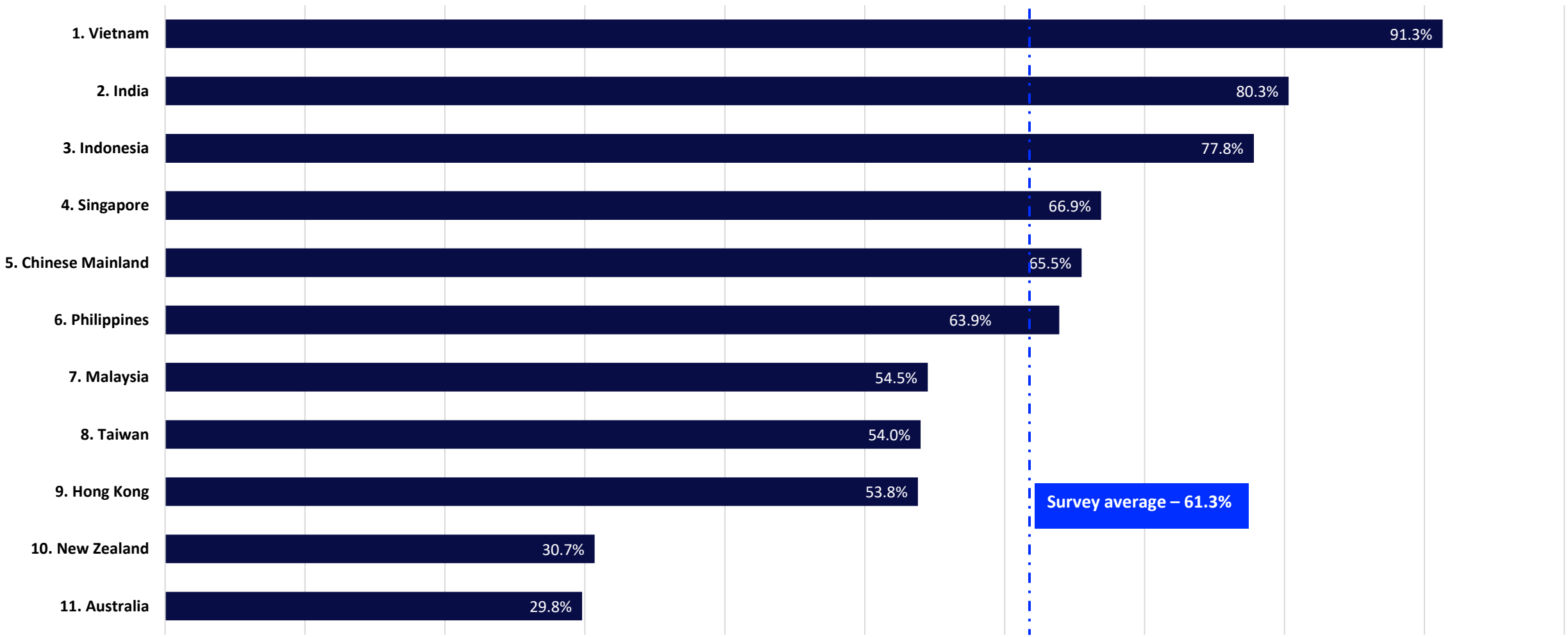
Businesses operating for 5 to 20 years were the most likely to have required external finance in 2025, while young firms (under five years) and long-established businesses (21+ years) were less likely to need finance.

Sole operators are least likely to seek external finance, while firms employing 10 to 19 people are the most likely.



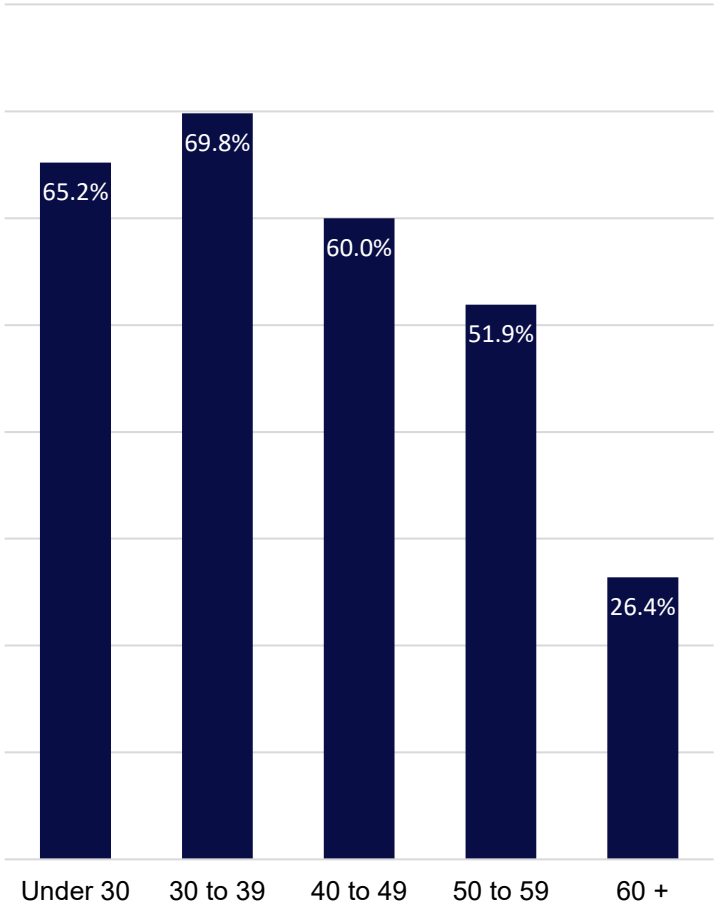
Demand for external finance in 2025 was highest among Vietnamese small businesses, while Australia continued to record the lowest demand

Percentage of small businesses that required external finance in 2025 – by market

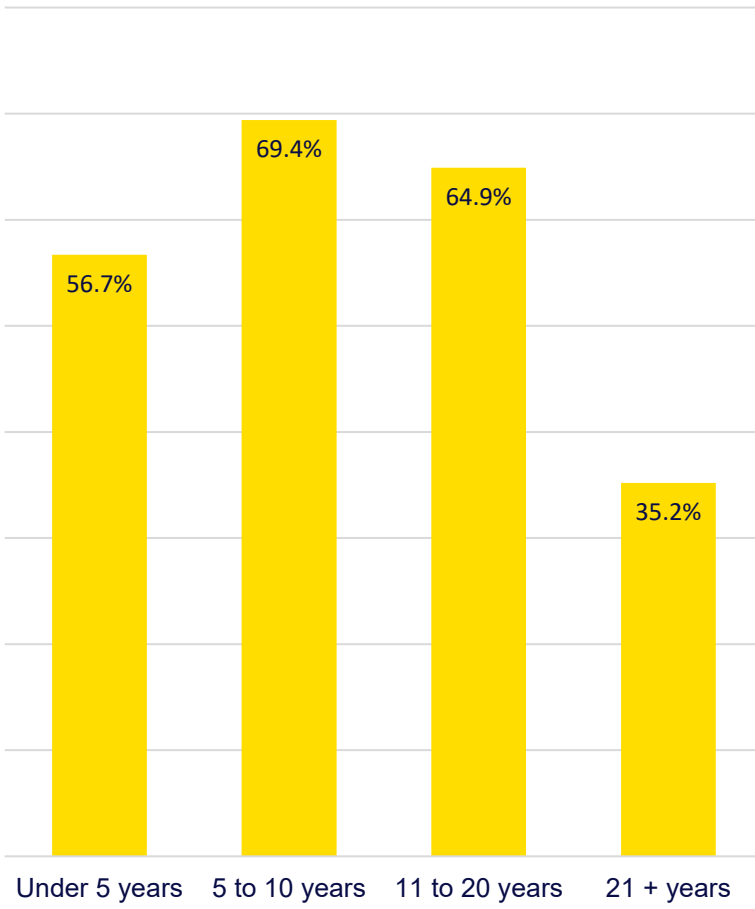


Demand for external finance in 2025 was lowest among older respondents, long-established businesses and sole traders

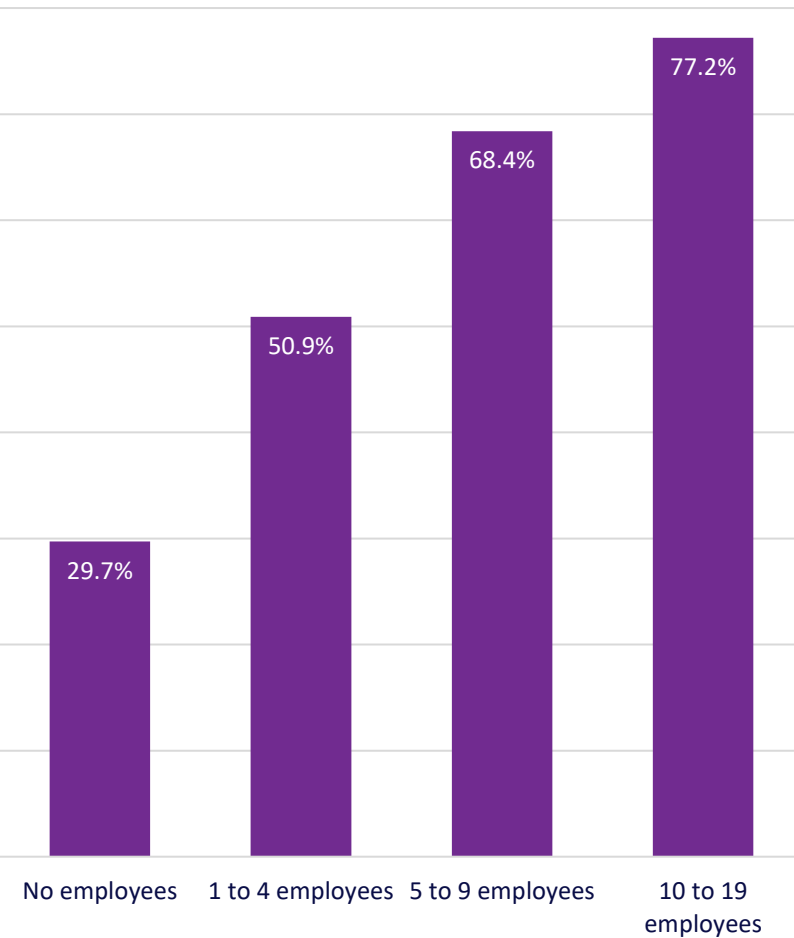
Percentage of small businesses that required external finance in 2025 – by age of business owner



Percentage of small businesses that required external finance in 2025 – by age of business



Percentage of small businesses that required external finance in 2025 – by business size

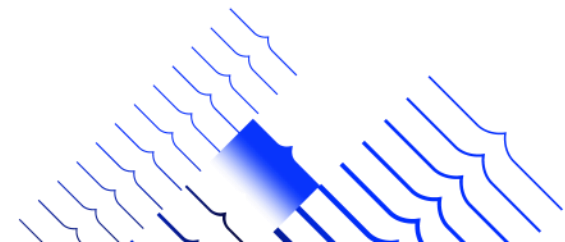
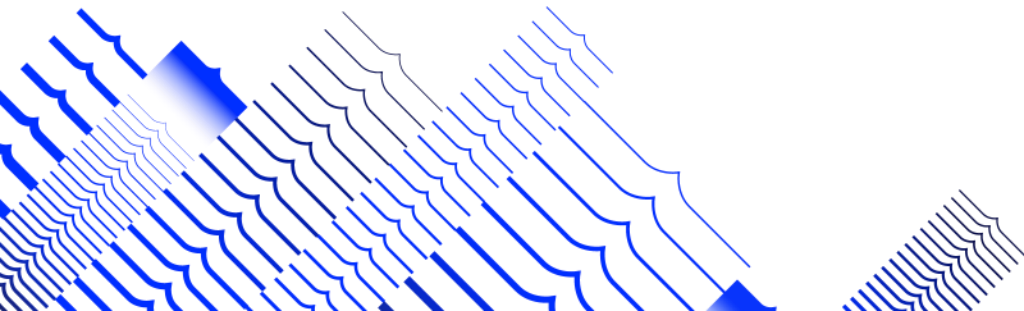




EASE OR DIFFICULTY IN ACCESSING FINANCE IN 2025

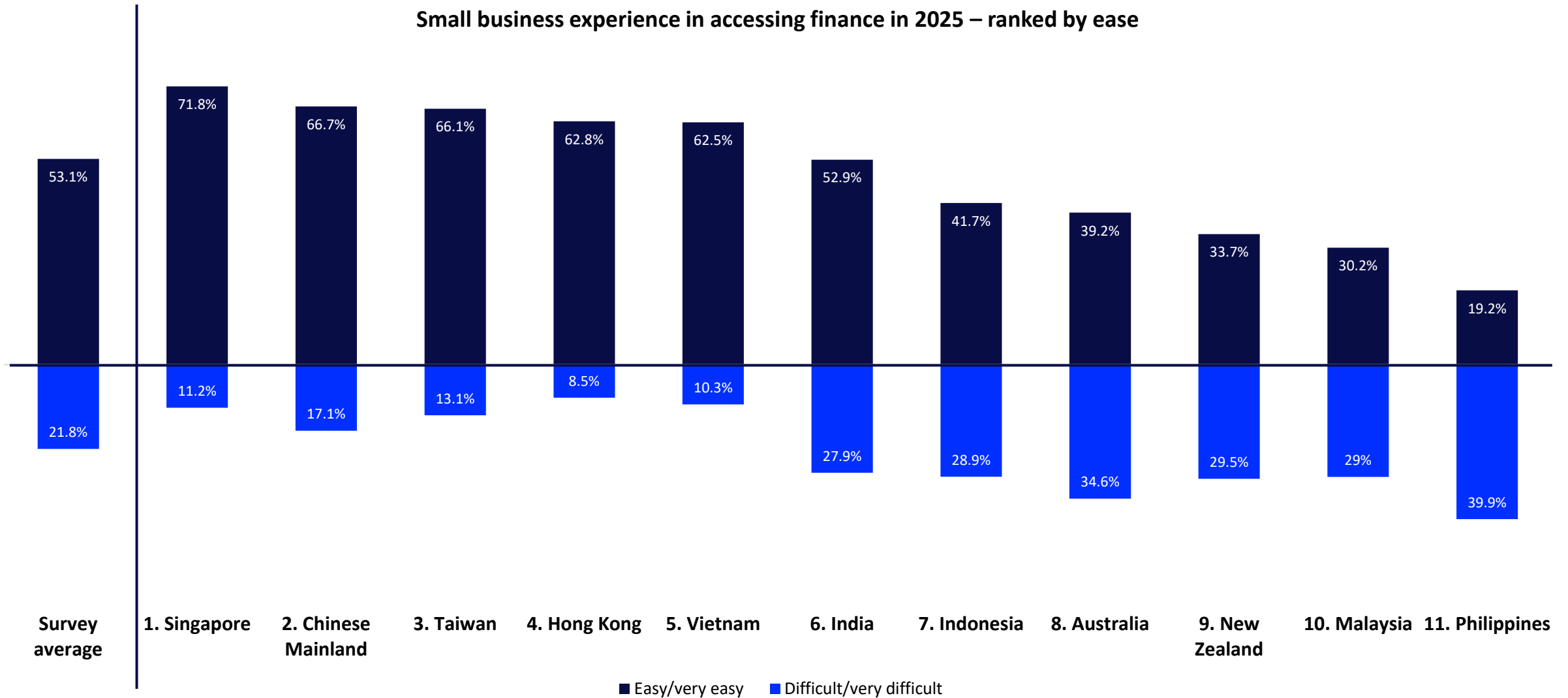
Ease or difficulty accessing finance in 2025

- Small businesses in Singapore, Taiwan and Hong Kong reported the easiest financing conditions in 2025, while Filipino small businesses faced the greatest difficulty accessing finance.
- Financing conditions improved significantly in the Chinese Mainland, Hong Kong, India, Singapore and Taiwan but deteriorated in Australia, Malaysia, New Zealand and the Philippines.
- More established businesses (5 to 20 years) experienced favourable financing conditions, while younger businesses (under five years) faced the greatest difficulty accessing finance.
- Business owners aged 30 to 59 reported the easiest financing conditions, with younger owners (under 30) and older owners (60 and over) experiencing greater difficulty.
- Sole operators reported the greatest difficulty accessing finance.
- Banks remain the easiest source of finance, while friends and family are the most difficult to source finance from.



Financing conditions were most favourable for small businesses in Singapore, while small businesses in the Philippines faced the greatest difficulty accessing finance

Small business experience in accessing finance in 2025 – ranked by ease



Financing conditions became significantly easier for small businesses in the Chinese Mainland, Hong Kong, Singapore and Taiwan in 2025

Comparison of business that reported easy or very easy access to finance – by market and time

Market	2020	2021	2022	2023	2024	2025
Survey average	34.0%	45.9%	45.9%	43.3%	41.7%	53.1%
Australia	49.6%	37.0%	40.1%	33.9%	39.7%	39.2%
Chinese Mainland	27.4%	50.9%	39.0%	49.1%	49.5%	66.7%
Hong Kong	17.2%	35.4%	70.1%	75.8%	36.7%	62.8%
India	52.5%	72.9%	68.2%	41.5%	42.9%	52.9%
Indonesia	30.9%	27.4%	29.5%	29.3%	38.2%	41.7%
Malaysia	13.9%	21.0%	42.3%	31.2%	36.7%	30.2%
New Zealand	52.9%	61.0%	25.7%	32.6%	34.7%	33.7%
Philippines	13.0%	38.0%	24.6%	18.5%	21.9%	19.2%
Singapore	42.8%	20.2%	56.7%	60.4%	52.9%	71.8%
Taiwan	21.5%	21.0%	29.8%	56.8%	27.5%	66.1%
Vietnam	17.8%	18.9%	31.0%	14.3%	13.6%	10.3%

Green = above survey average
 Grey = below survey average

The share of businesses reporting difficulty accessing finance fell sharply in Hong Kong, Singapore and Taiwan in 2025, but remained high in the Philippines

Comparison of business that reported difficult or very difficult access to finance – by market and time

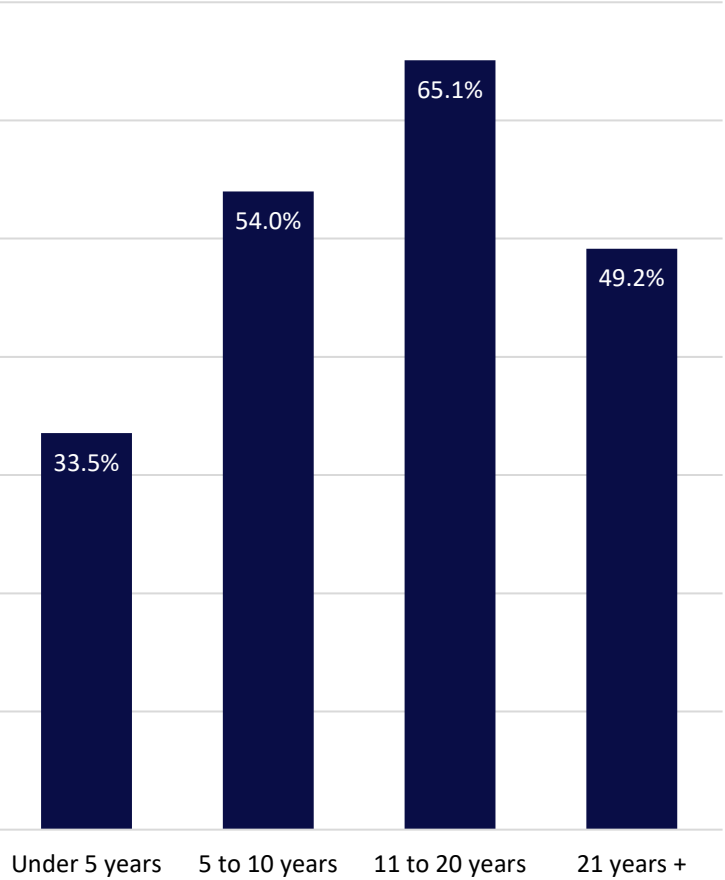
Market	2020	2021	2022	2023	2024	2025
Survey average	35.7%	26.1%	32.5%	27.3%	28.6%	21.8%
Australia	33.3%	26.8%	33.0%	38.6%	32.8%	34.6%
Chinese Mainland	28.7%	10.6%	33.6%	27.0%	19.2%	17.1%
Hong Kong	46.7%	32.0%	23.8%	7.8%	36.7%	8.5%
India	38.5%	21.0%	26.2%	32.8%	33.0%	27.9%
Indonesia	46.5%	39.4%	38.8%	33.3%	36.4%	28.9%
Malaysia	53.9%	46.5%	29.4%	30.2%	27.5%	29.0%
New Zealand	22.7%	18.4%	53.7%	40.2%	24.2%	29.5%
Philippines	45.8%	36.5%	37.7%	47.8%	34.8%	39.9%
Singapore	33.8%	46.8%	19.9%	25.0%	20.7%	11.2%
Taiwan	31.9%	37.1%	43.7%	18.8%	50.9%	13.1%
Vietnam	17.8%	18.9%	31.0%	14.3%	13.6%	10.3%

Red = above survey average (more difficult)

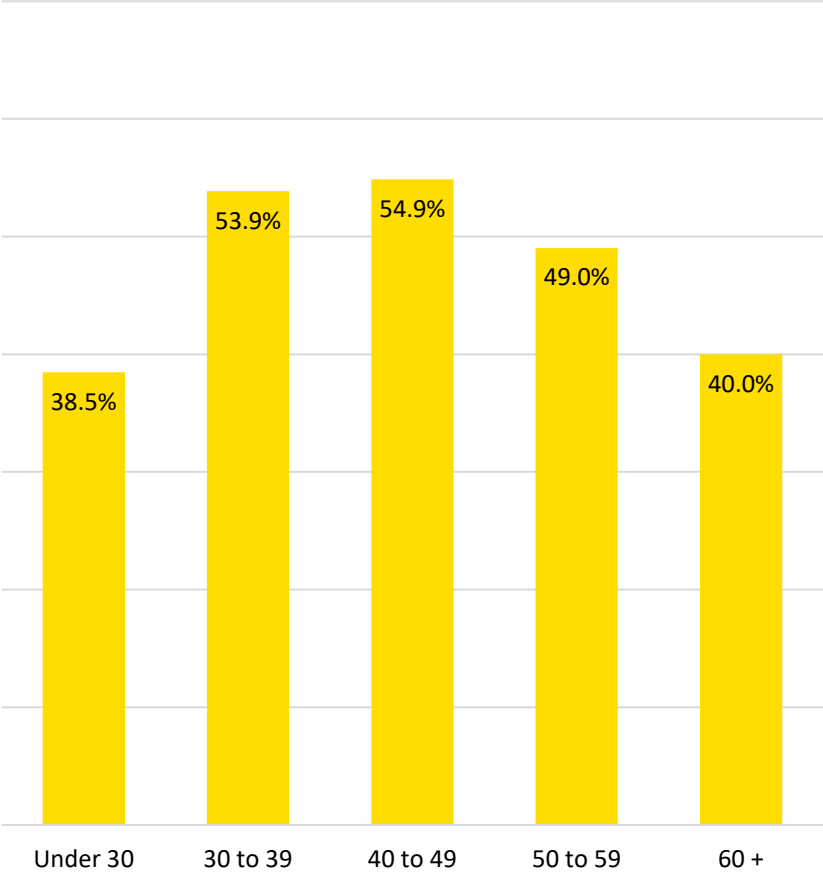
Grey = below survey average (less difficult)

Financing conditions in 2025 were most favourable for mid-aged businesses (11 to 20 years), owners aged 30 to 49, and firms employing 10 to 19 people

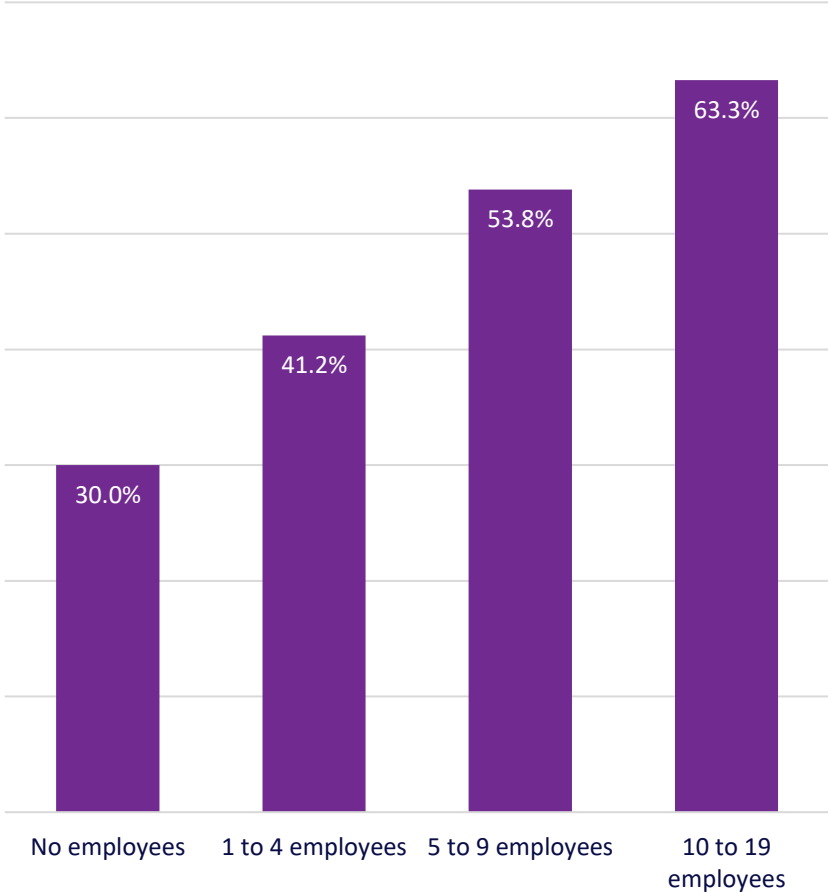
Percentage that experienced easy financing conditions in 2025 - by age of business



Percentage that experienced easy financing conditions in 2025 – by age of business owner

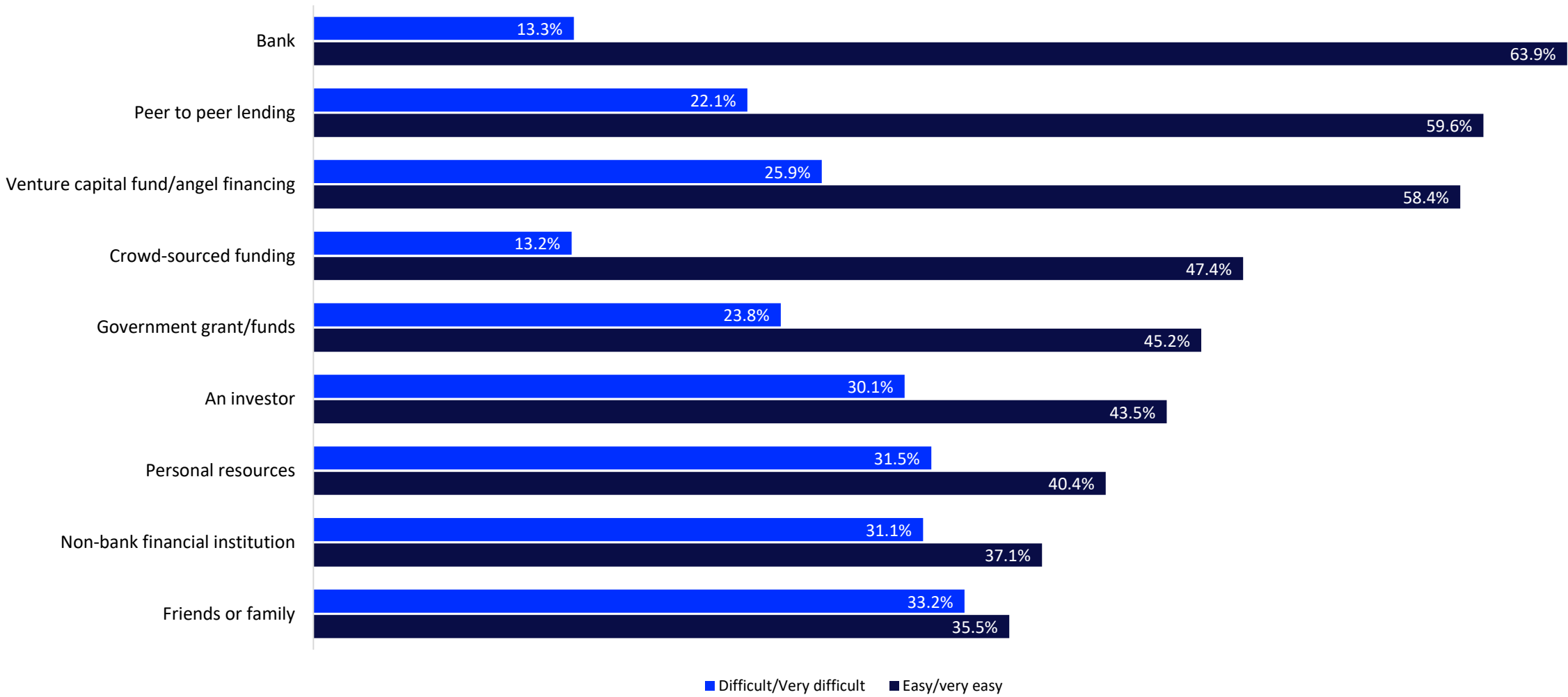


Percentage that experienced easy financing conditions in 2025 – by business size



Banks remained the easiest source of finance in 2025, whereas friends or family were the most difficult

Ease or difficulty of accessing finance in 2025 – by source



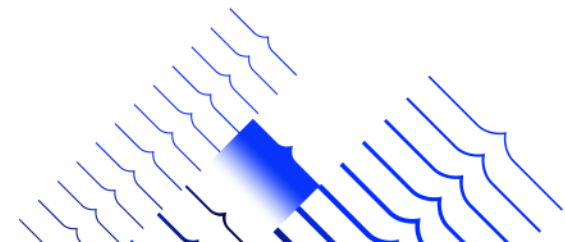
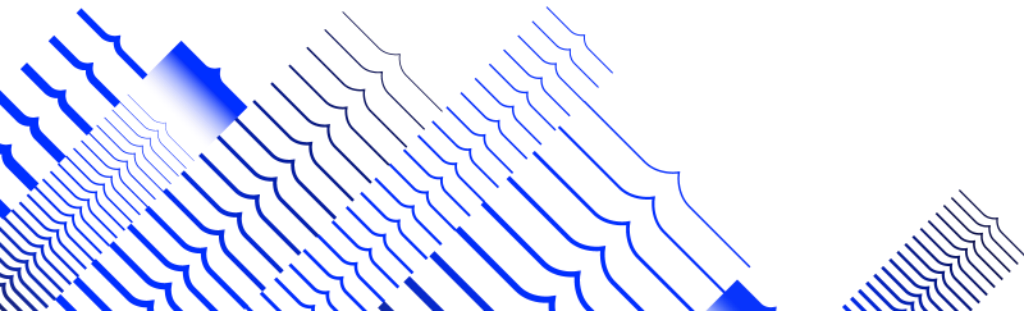
■ Difficult/Very difficult ■ Easy/very easy



REASONS FOR SEEKING FINANCE IN 2025

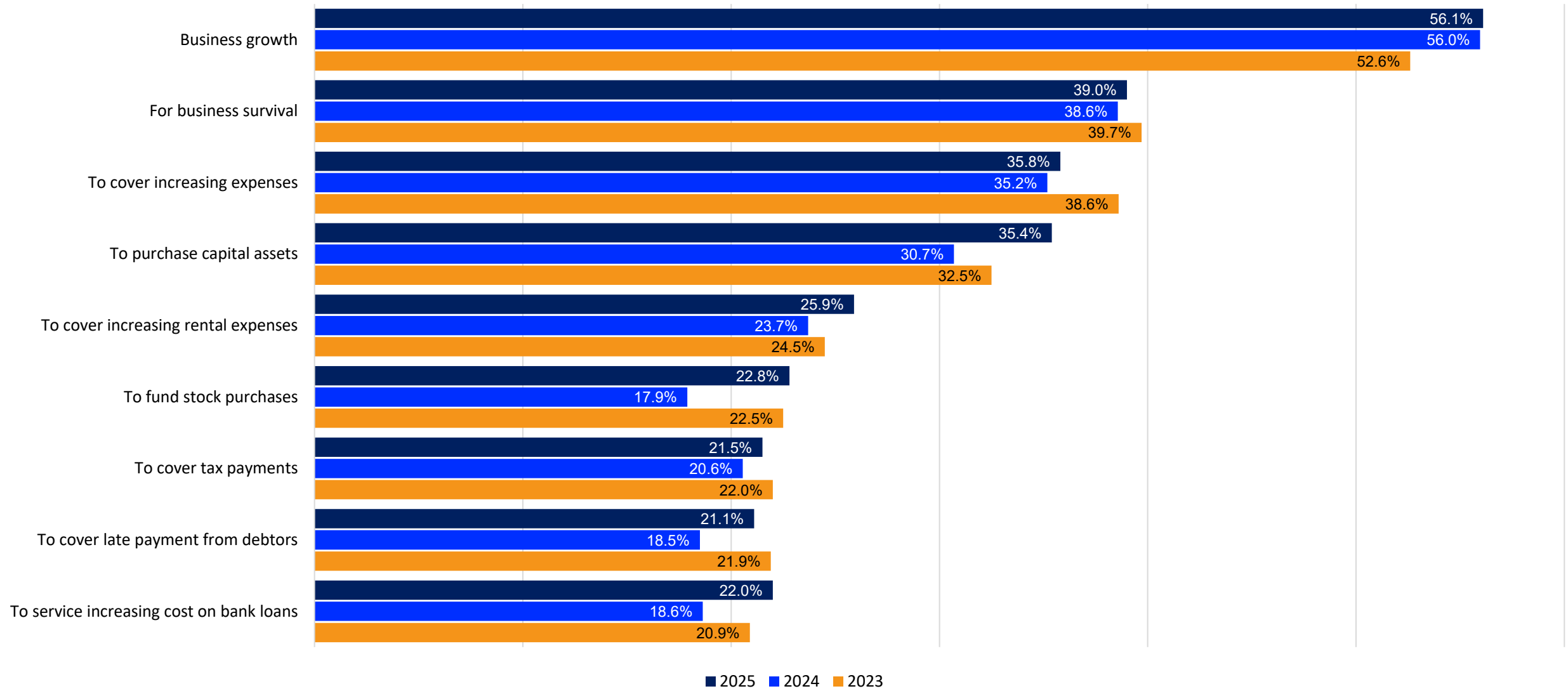
Why small business required finance in 2025

- In 2025, small businesses slightly increased their use of external finance to support growth, while reliance of such finance for business survival declined. Use of external finance to purchase capital assets and fund stock purchases increased.
- Small businesses in Vietnam were the most likely to use external finance to support growth, while Indonesian small businesses were the most likely to use finance for business survival.
- Business owners aged 30 to 50 were the most likely to seek finance for growth, while both younger owners and older owners are more likely to borrow for survival.
- Businesses established for less than ten years more likely to use external finance to support growth.
- Small businesses with employees were more likely to use external finance for growth, whereas sole operators recorded the highest incidence of borrowing for survival.



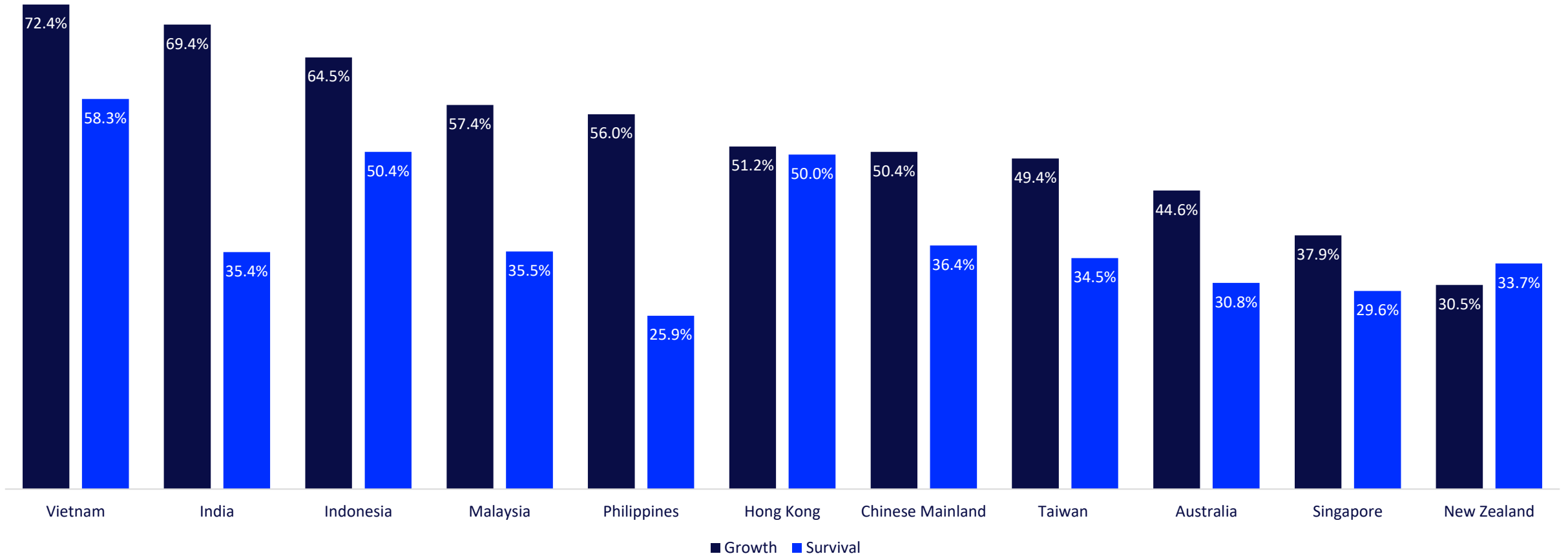
In 2025, small businesses were again the most likely to use external finance to support growth

Reasons for seeking external finance in the past 12 months – by year



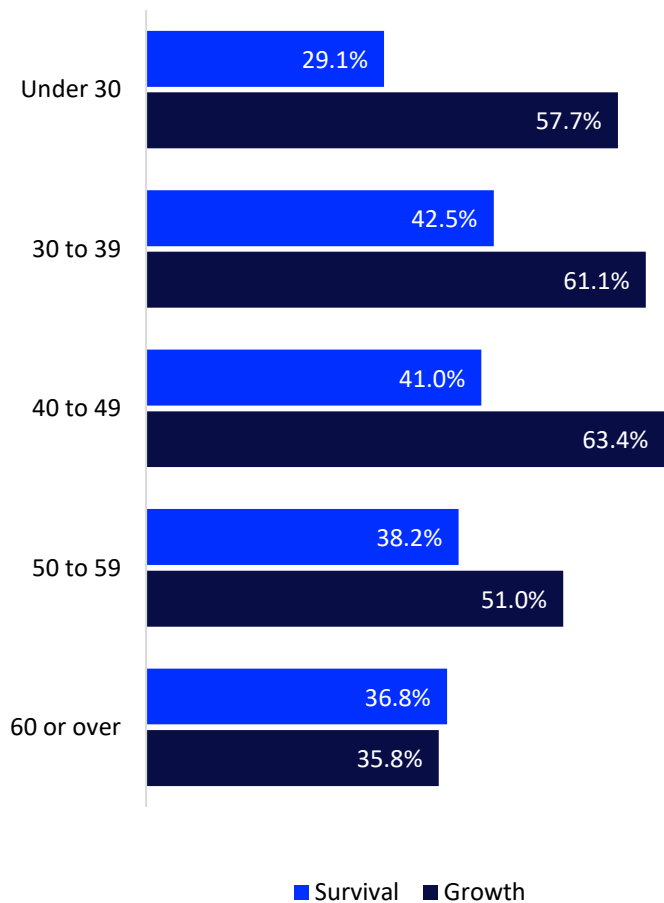
In 2025, Vietnamese small businesses recorded the strongest use of external finance to support growth, while Indonesian small businesses were the most likely to use finance for survival

Purpose of seeking external finance in 2025 – growth vs. survival (markets ranked by sourcing finance for growth)

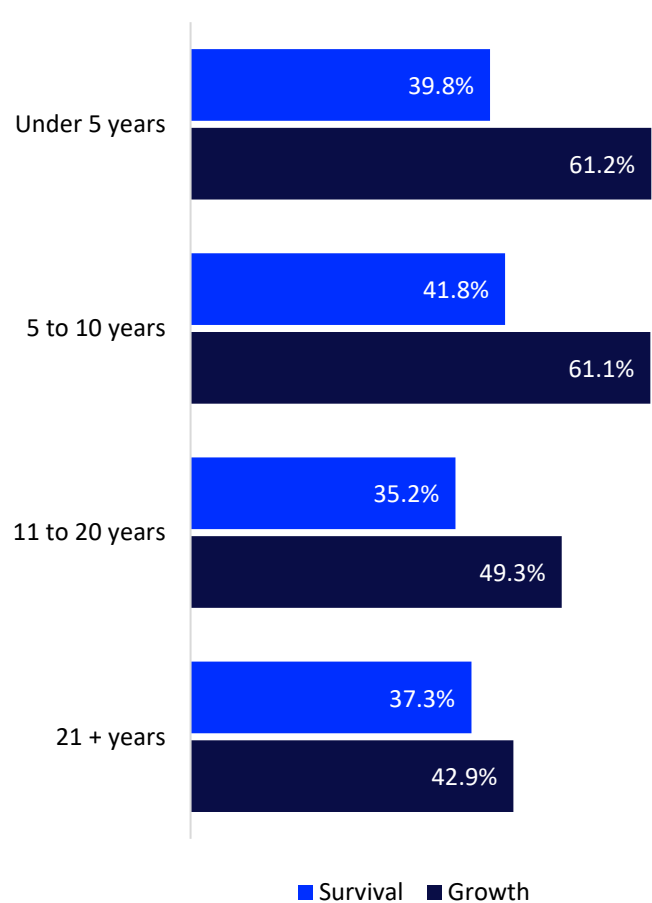


In 2025, the likelihood of seeking external finance for growth was highest among owners aged 30 to 49, younger businesses, and firms employing 10 to 19 people

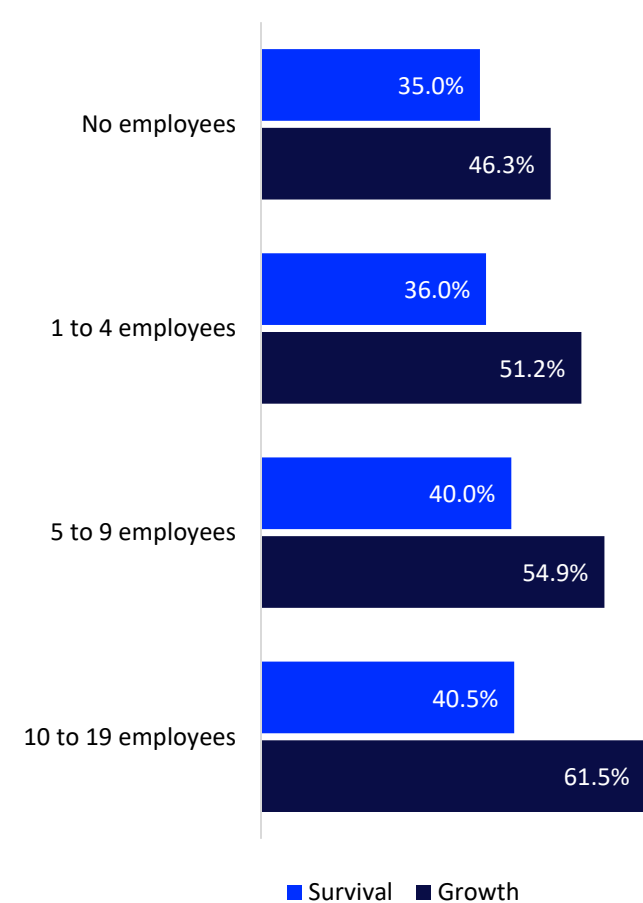
Businesses that sought external finance for growth or survival in 2025 - by age of business owner



Businesses that sought external finance for growth or survival in 2025 - by age of business



Businesses that sought external finance for growth or survival in 2025 - by number of employees

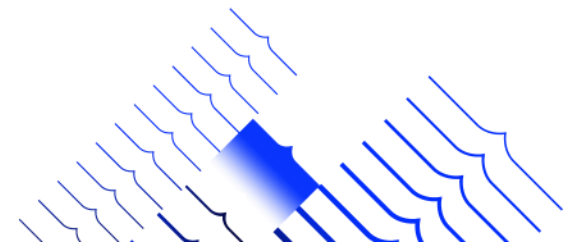
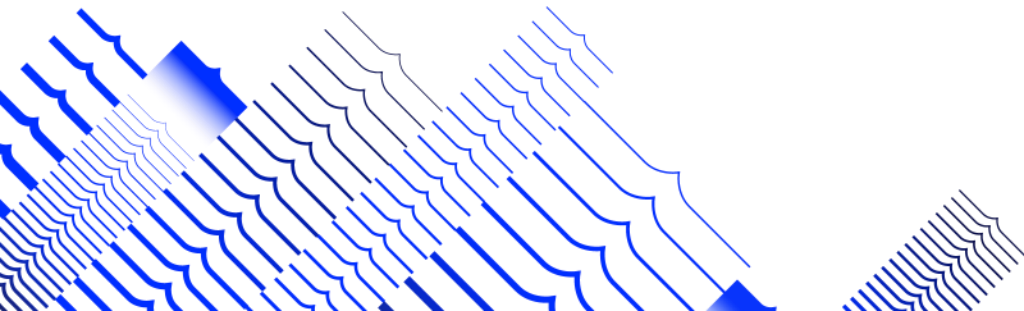




SOURCES OF FINANCE IN 2025

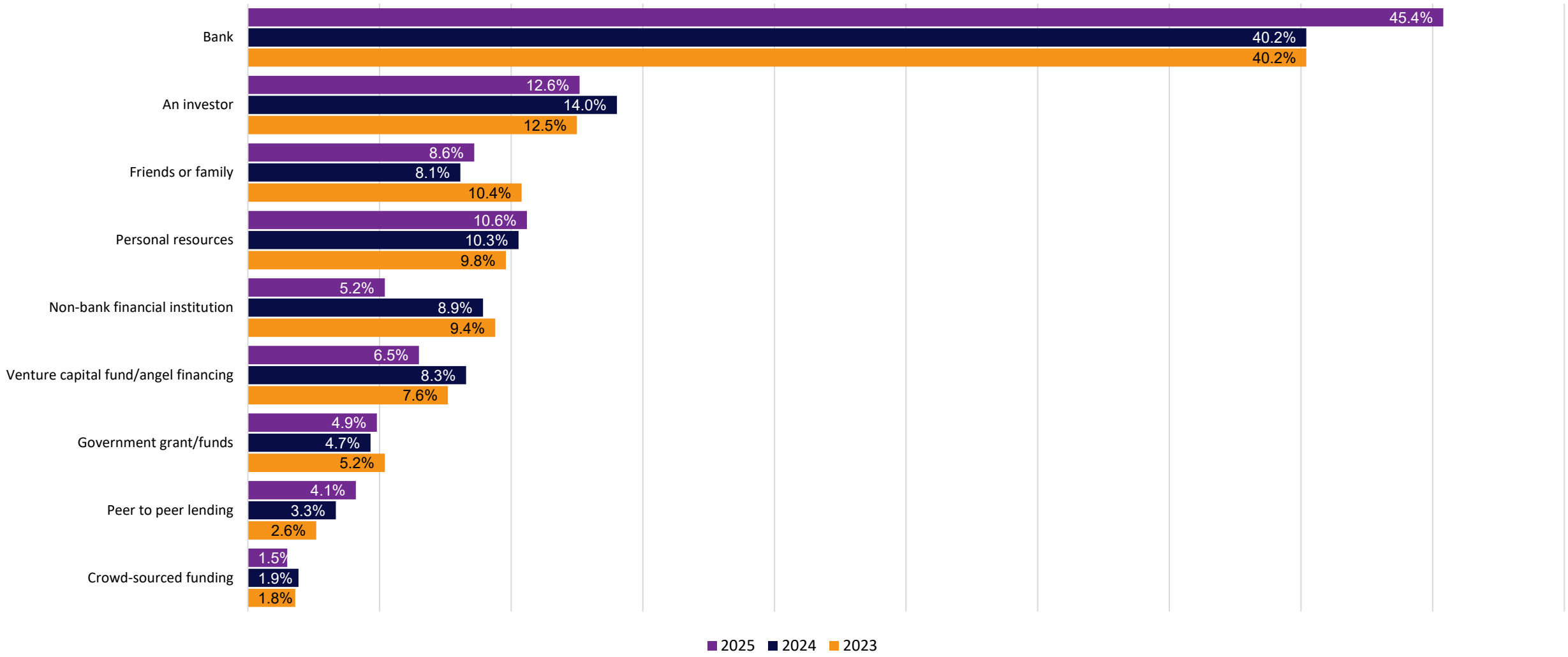
Where small business sourced their finance from in 2025

- Banks became even more dominant as the primary source of external finance for small business in 2025.
- Banks were the leading source of small business finance in every market except the Philippines, where personal resources were most commonly used. Reliance on banks was highest in Hong Kong, Singapore and Vietnam
- Use of non-bank financial institutions as the primary source of external finance for small business declined in 2025, as did reliance on investors.
- Banks were by far the most popular source of small business finance across businesses of all ages and among business owners of all age groups. The main exception was non-employed businesses, which most often relied on personal resources as their primary source of finance.
- Business owners aged 60 and over were much more likely to nominate personal resources as their main source of finance compared with younger owners, likely reflecting greater accumulated wealth and a preference to avoid taking on debt closer to retirement.



The dominance of banks as the primary source of finance strengthened in 2025, alongside reduced reliance on non-bank financial institutions and investors

The primary source of small business finance in the past 12 months – by year



Top three sources of external finance in 2025 by market

	Most popular	Second most popular	Third most popular
Survey average	Bank (45.4%)	An investor (12.6%)	Personal resources (10.6%)
Australia	Bank (46.9%)	Personal resources (15.4%)	An investor (11.5%)
Chinese Mainland	Bank (42.3%)	An investor (14.0%)	Venture capital fund/angel financing (11.8%)
Hong Kong	Bank (57.3%)	Personal resources & investor (11%)	Government grant/funds (7.3%)
India	Bank (39.8%)	An investor (16.5%)	Friends or family (12.4%)
Indonesia	Bank (38.8%)	An investor (14.5%)	Personal resources (11.6%)
Malaysia	Bank (41.4%)	Personal resources (15.4%)	Friends or family (10.1%)
New Zealand	Bank (44.2%)	Personal resources (23.2%)	Friends or family (12.6%)
Philippines	Personal resources (22.3%)	Bank (21.2%)	Friends or family (18.7%)
Singapore	Bank (56.3%)	Government grant/funds (9.7%)	Venture capital fund/angel financing (8.3%)
Taiwan	Bank (48.8%)	An investor (22.6%)	Personal resources (8.9%)
Vietnam	Bank (66.4%)	Peer-to-peer lending (11.3%)	An investor (6.4%)

Banks dominated as the primary source of small business finance in 2025 across all business and owner age groups, except among non-employing businesses

Top three sources of external finance in 2025 – by age of business			
	Most popular	Second most popular	Third most popular
Less than 5 years	Bank (35%)	Personal resources (16.1%)	Friends or family (14.5%)
5 to 10 years	Bank (46.2%)	An investor (11.9%)	Friends or family (8.6%)
11 to 20 years	Bank (51.4%)	An investor (13.7%)	Personal resources (9.5%)
21 + years	Bank (43.5%)	Personal resources (13.6%)	An investor (9%)

Top three sources of external finance in 2025 – by age of business owner			
	Most popular	Second most popular	Third most popular
Under 30	Bank (33%)	An investor (17.6%)	Friends or family (16.5%)
30 to 39	Bank (46.3%)	Personal resources (11.9%)	An investor (10.9%)
40 to 49	Bank (50.5%)	Friends or family (11.4%)	Personal resources (8.7%)
50 to 59	Bank (37.5%)	Personal resources (12.4%)	Peer to peer lending (10.8%)
60 + years	Bank (34.7%)	Personal resources (28.4%)	Friends or family (13.7%)

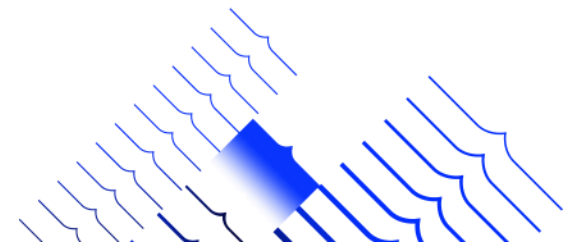
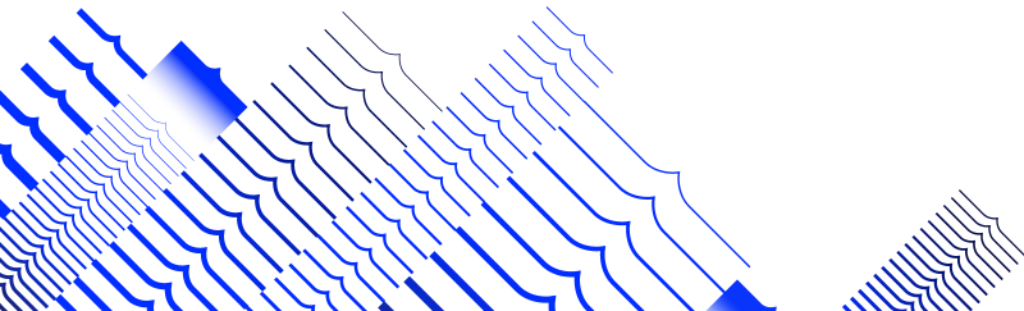
Top three sources of external finance in 2025 – by business size			
	Most popular	Second most popular	Third most popular
No employees	Personal resources (26.3%)	Bank (20%)	Friends or family (19.4%)
1 to 4 employees	Bank (40%)	Personal resources (15.3%)	Friends or family (12.9%)
5 to 9 employees	Bank (52.6%)	An investor (11.4%)	Friends or family (8.4%)
10 to 19 employees	Bank (46.7%)	Investor (17.7%)	Personal resources (8.4%)



ACCESSING FINANCE IN 2026

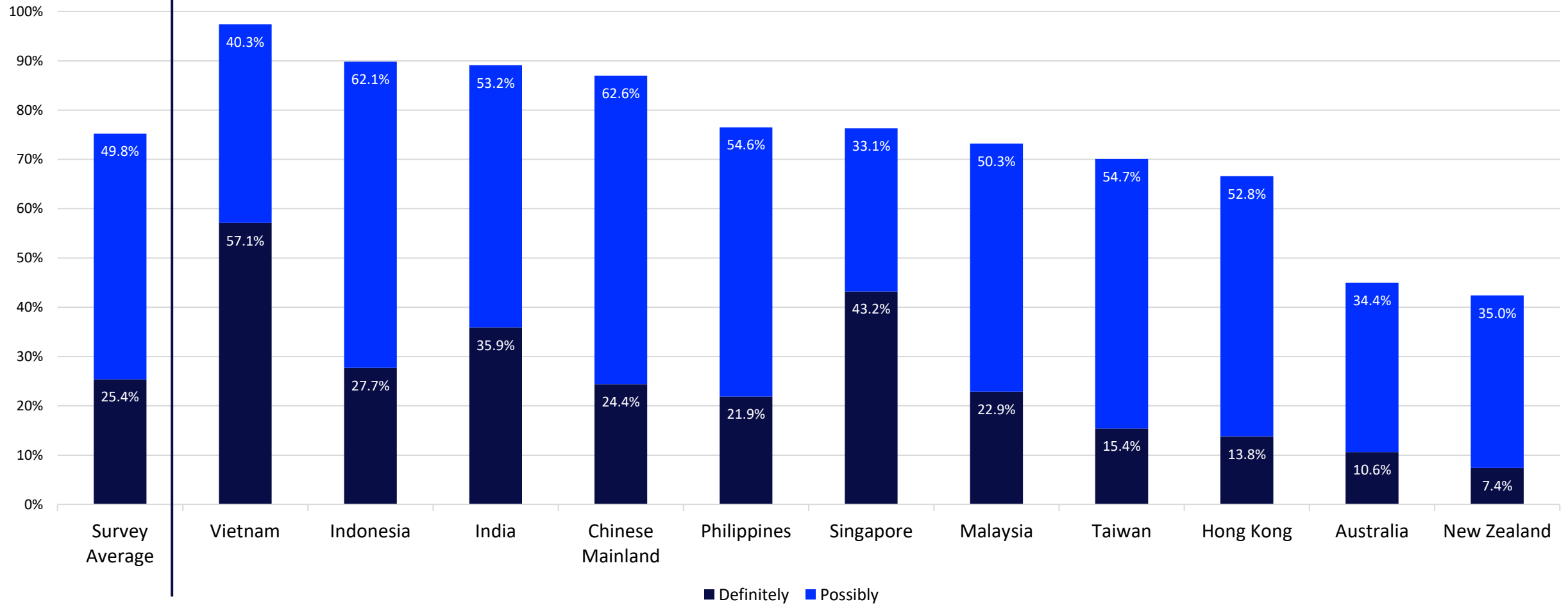
Small business expectations for accessing finance in 2026

- Small businesses in Vietnam, India and Indonesia show the highest expected demand for external finance in 2026, reflecting stronger growth expectations.
- By contrast, Australian and New Zealand small businesses report the lowest expected demand for external finance, consistent with more subdued growth prospects.
- Across all markets, business growth remains the primary anticipated reason for seeking external finance in 2026. Business survival continues to rank second, while covering rising operating costs is a widespread third-most common motivation.



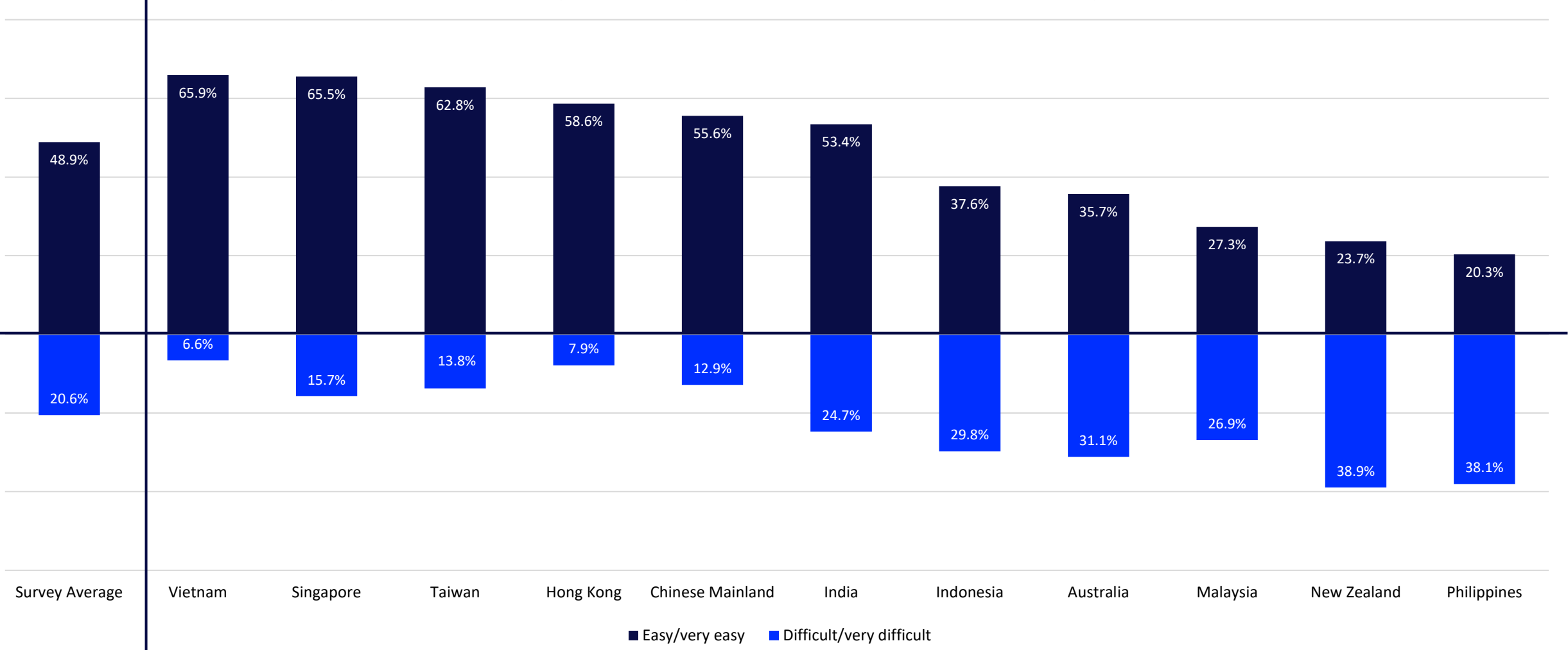
Expected demand for external finance in 2026 is strongest in Vietnam and weakest in Australia and New Zealand, reflecting wide differences in small business confidence across these markets

Businesses expecting to require external finance in 2026 - by market (ranked highest to lowest)



Financing conditions are expected to remain favourable in Singapore, Taiwan and Vietnam, but challenging in the Philippines and New Zealand

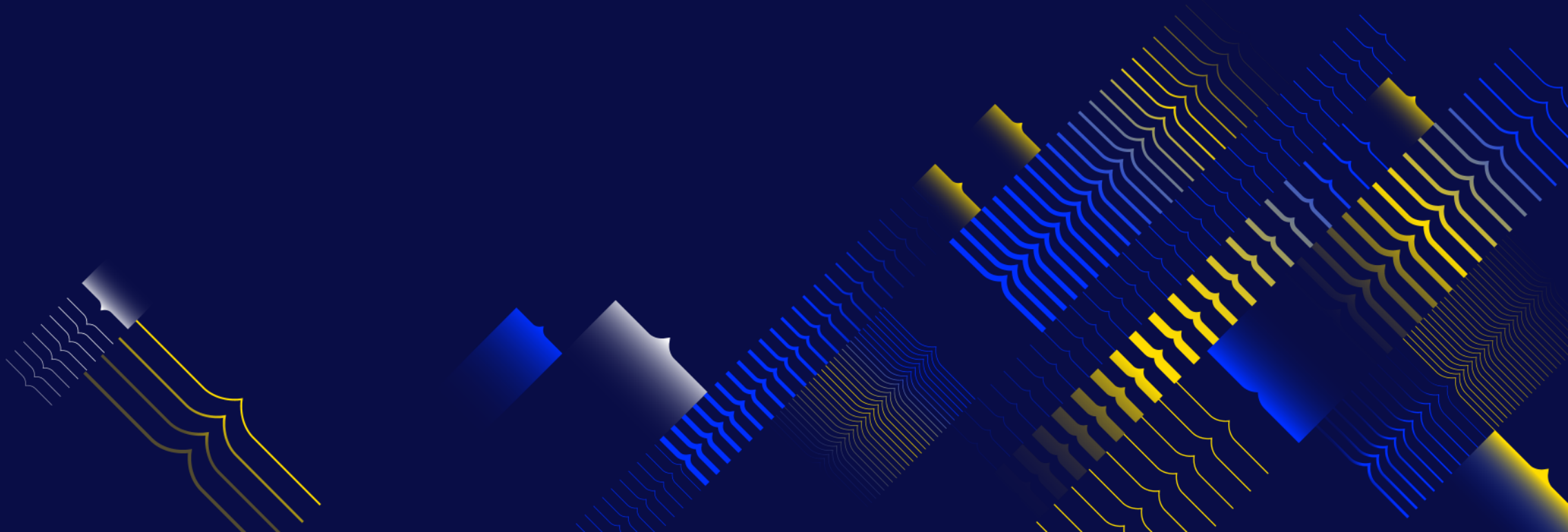
Expected ease or difficulty of accessing finance in 2026 - with markets ranked by ease of access



Top three anticipated reasons for seeking external finance in 2026 – by market

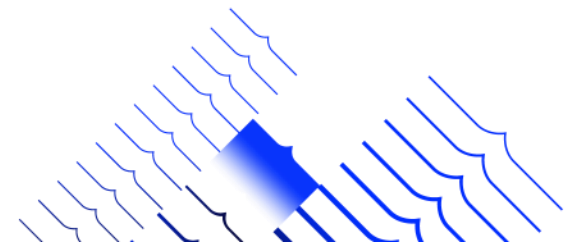
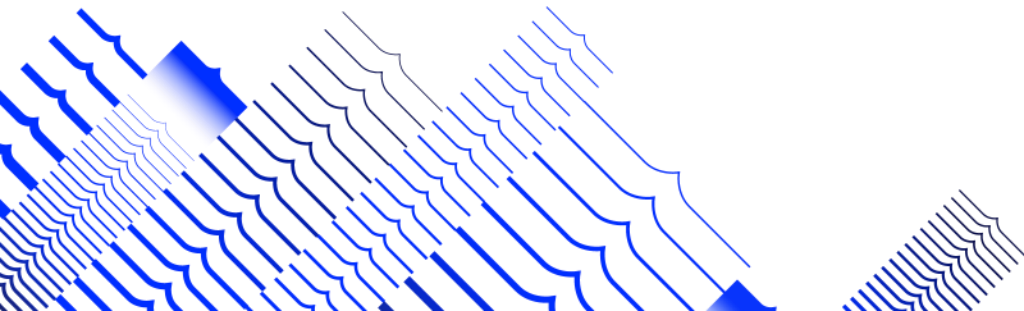
	Most anticipated reason	Second most anticipated reason	Third most anticipated reason
Survey average	Business growth (58%)	Business survival (37%)	Cover increasing expenses (34.6%)
Australia	Business growth (49.5%)	Cover increasing expenses (34.2%)	Purchase capital assets (27%)
Chinese Mainland	Business growth (47.6%)	Business survival (32.5%)	Cover increasing expenses (30.9%)
Hong Kong	Business growth (47.8%)	Cover increasing expenses (43.8%)	Business survival (38.9%)
India	Business growth (71.3%)	Purchase capital assets (39.8%)	Cover increasing expenses (39.4%)
Indonesia	Business growth (69.2%)	Business survival (51.3%)	Purchase capital assets (33.3%)
Malaysia	Business growth (66.5%)	Business survival (39.6%)	Cover increasing expenses (31.7%)
New Zealand	Business growth (53.4%)	Cover increasing expenses (35.1%)	Purchase capital assets (29.8%)
Philippines	Business growth (61.9%)	Business survival (30.7%)	Cover increasing expenses (29.4%)
Singapore	Business growth (42.6%)	Cover increasing expenses (40.4%)	Purchase capital assets (38.3%)
Taiwan	Business growth (48.6%)	Business survival (39.9%)	Fund stock purchases (29.8%)
Vietnam	Business growth (74.2%)	Business survival (53.0%)	Cover increasing expenses (49%)

Sources of business advice



Where small business got their advice from in 2025

- AI tools have emerged as a top source of business advice across most markets, alongside business partners, mentors and consultants.
- High-growth businesses demonstrate a strong preference for professional advice, particularly from IT and business consultants.
- Businesses that did not grow are far more likely to have avoided external advice entirely.
- Australia and New Zealand stand out for having higher proportions of businesses not seeking advice.
- Older business owners are significantly more likely to not seek advice.
- Older businesses (21+ years) are the most likely to avoid seeking advice.
- Micro and non-employed businesses are the most isolated, with nearly one-third not accessing any external advice. As business size increases, reliance shifts away from personal networks toward professional advice.
- Governments remain a minor source of business advice across all markets and firm types.

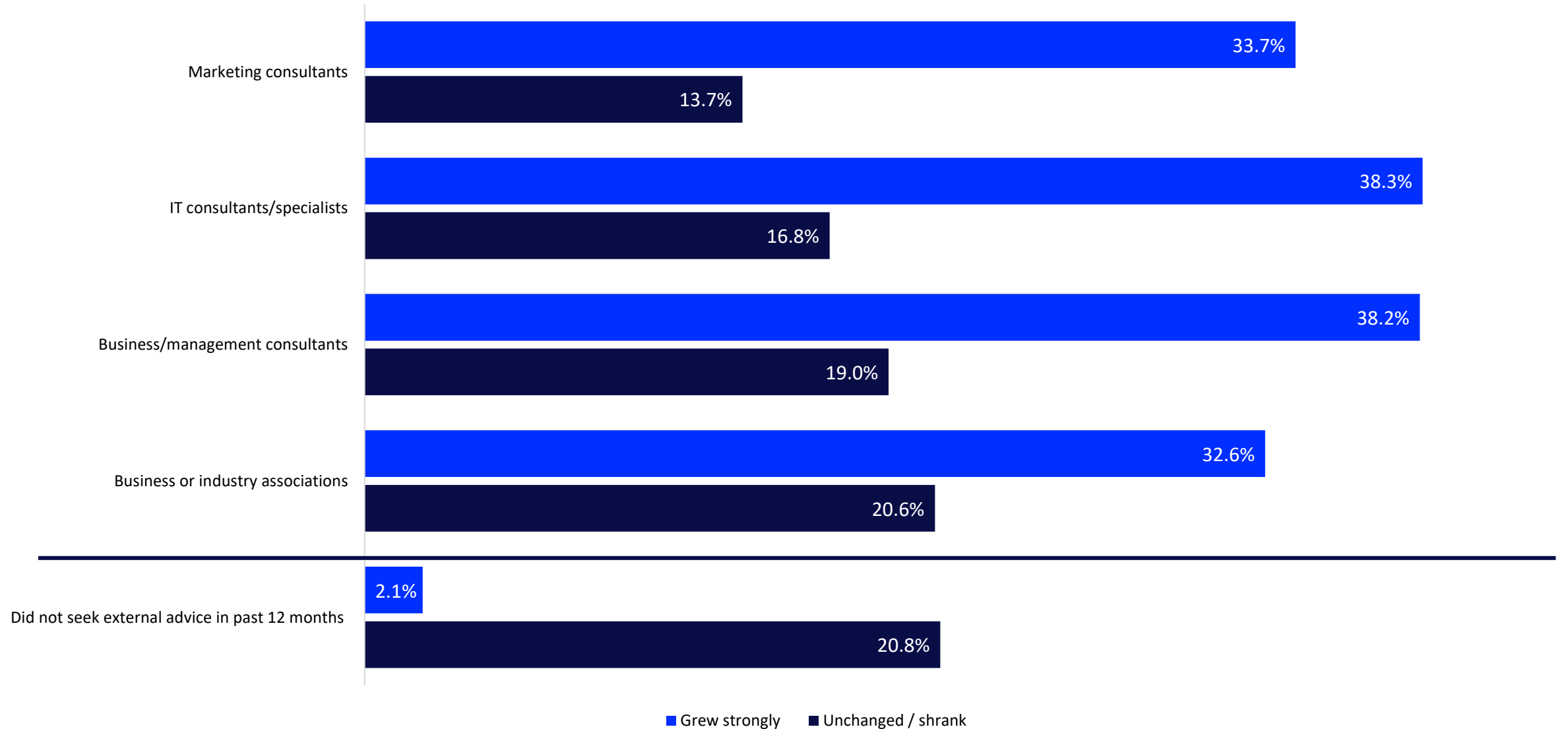


Most popular sources of business advice in 2025 – by market

	Most popular	Second most popular	Third most popular	Did not seek advice
High-Growth businesses	Business partner or mentor (39.3%)	IT consultant/specialist (38.3%)	Business/management consultant (38.2%)	2.1%
Australia	Accountants (40.6%)	Friends and family (23.2%)	AI tools (18.6%)	23.9%
Chinese Mainland	Business partner or mentor (37.9%)	Business/management consultants (36.9%)	AI tools (36.5%)	7.3%
Hong Kong	A bank or finance company (35.7%)	Business or industry associations (34.1%)	AI tools (32.5%)	14.4%
India	AI tools (40.5%)	IT consultants/specialists (39.2%)	Friends and family (34.3%)	5.8%
Indonesia	Friends and family (48.2%)	Business partner or mentor (38.6%)	AI tools (36.3%)	6.1%
Malaysia	Friends and family & Business partner or mentor (30.3%)	AI tools (28.1%)	A bank or finance company (27.4%)	10.6%
New Zealand	Accountants (44.3%)	Friends and family (21.4%)	IT consultants/specialists (18.4%)	21%
Philippines	Friends and family (43.7%)	Business partner or mentor (31.1%)	Marketing consultants (21.9%)	6.6%
Singapore	Business or industry associations (38%)	AI tools (35.1%)	Business/management consultants (34.4%)	11%
Taiwan	AI tools (35%)	A bank or finance company (23.8%)	Friends and family (21.2%)	25.4%
Vietnam	Business/management consultants (57.1%)	IT consultants/specialists (51.9%)	AI tools (49%)	1.9%

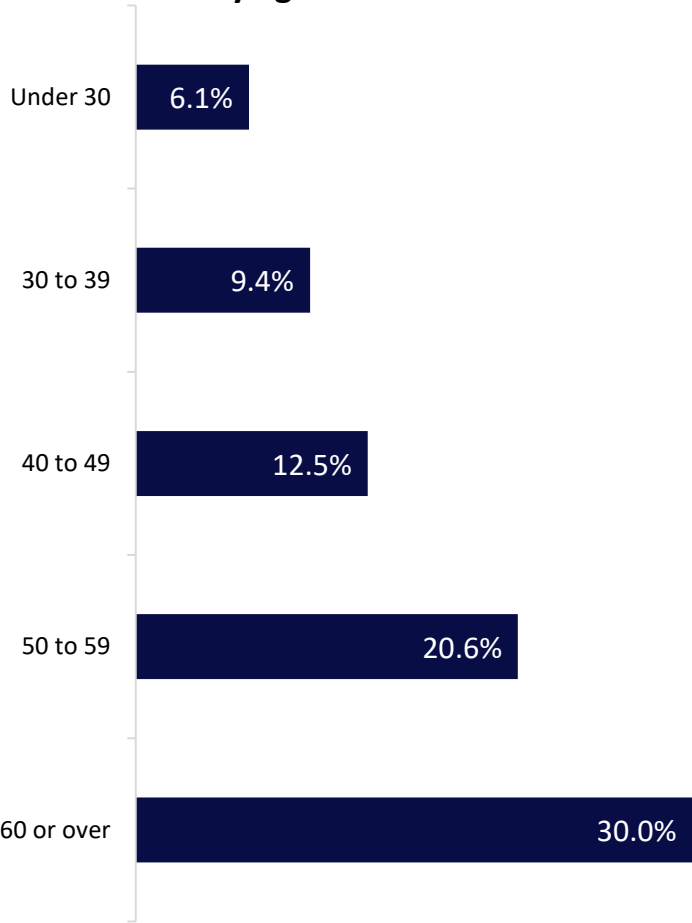
High-growth businesses are more likely to seek professional advice

Major sources of business advice in 2025 — high-growth vs non-growing businesses

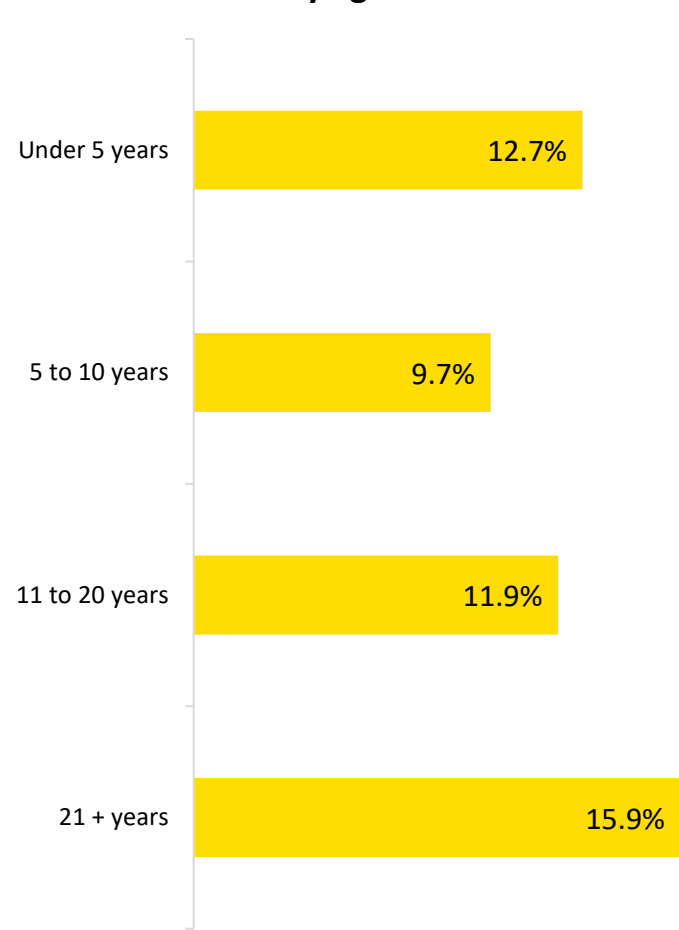


Older owners and sole traders are less likely to seek business advice

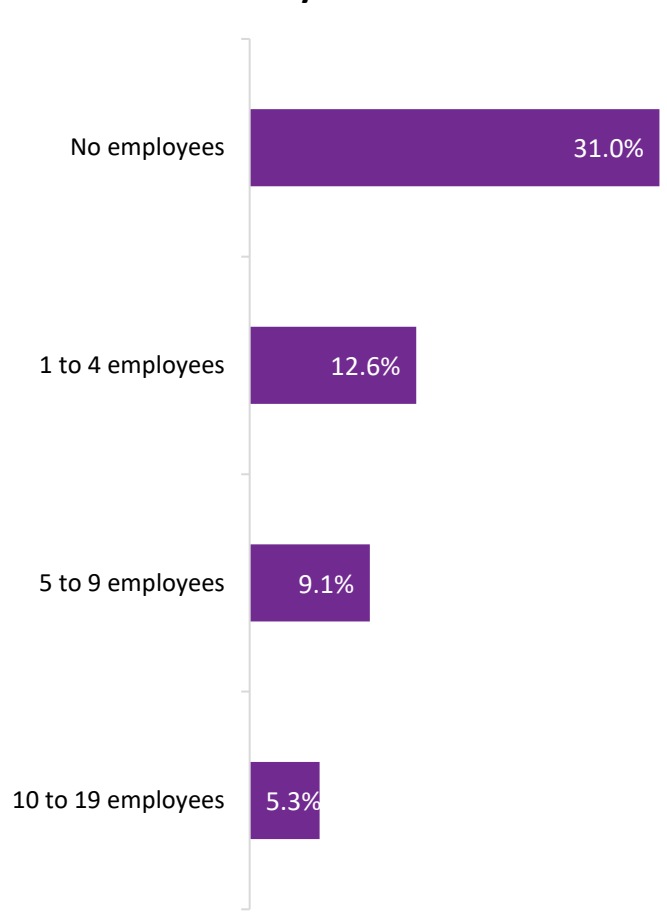
**Businesses that didn't seek advice in 2025
- by age of business owner**



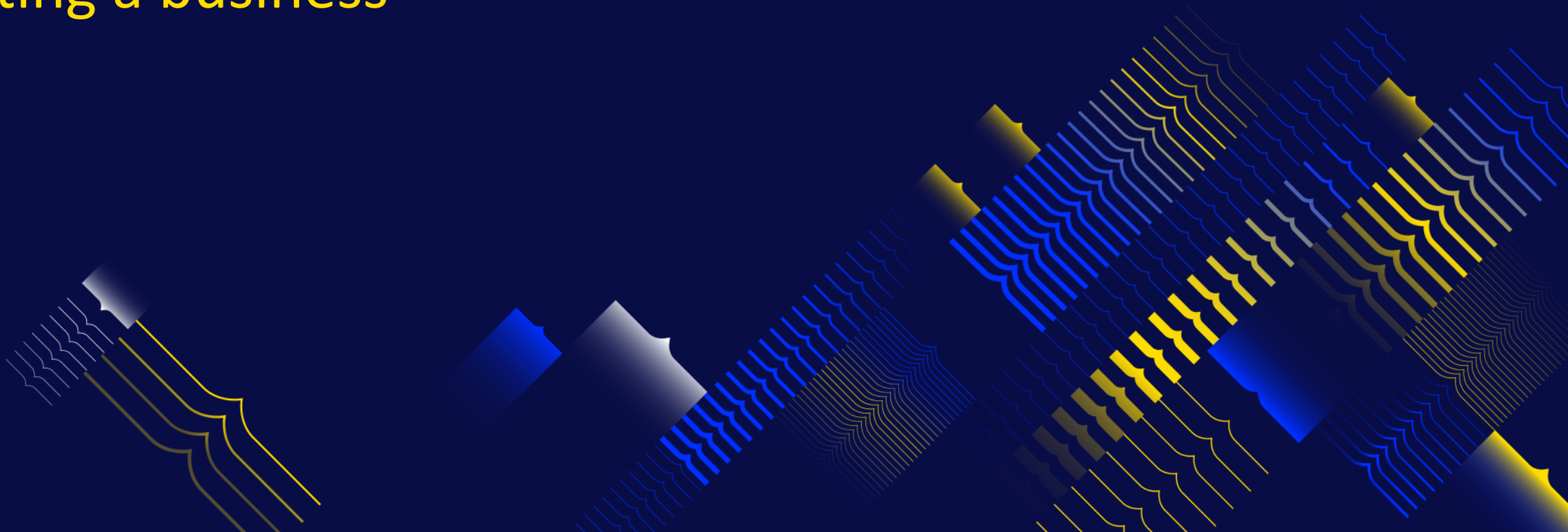
**Businesses that didn't seek advice in 2025
- by age of business**



**Businesses that didn't seek advice in
2025 - by size of business**

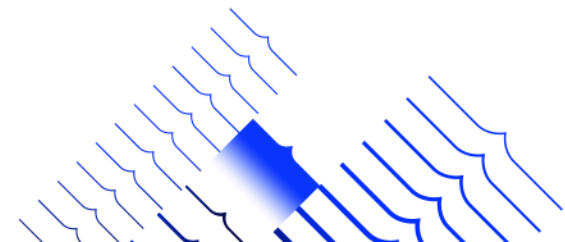
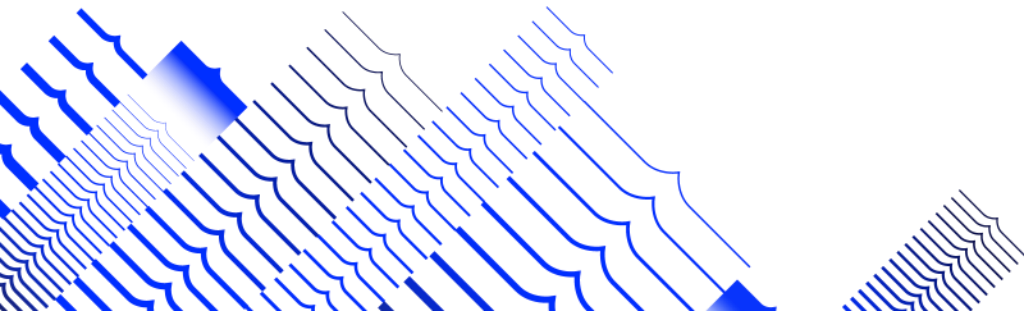


Motivations and challenges when starting a business



What are the motivations and challenges when starting a business

- “Being their own boss” remains the leading reason small business owners start a business, followed by work–life balance, with this pattern consistent across all surveyed markets
- There is little variation in the primary motivations for starting a business by owner age or by the age of the business
- When starting a business, small business owners’ concerns centre on income volatility and cash flow rather than regulation
- Start-up concerns are broadly consistent across owner age groups and business age cohorts



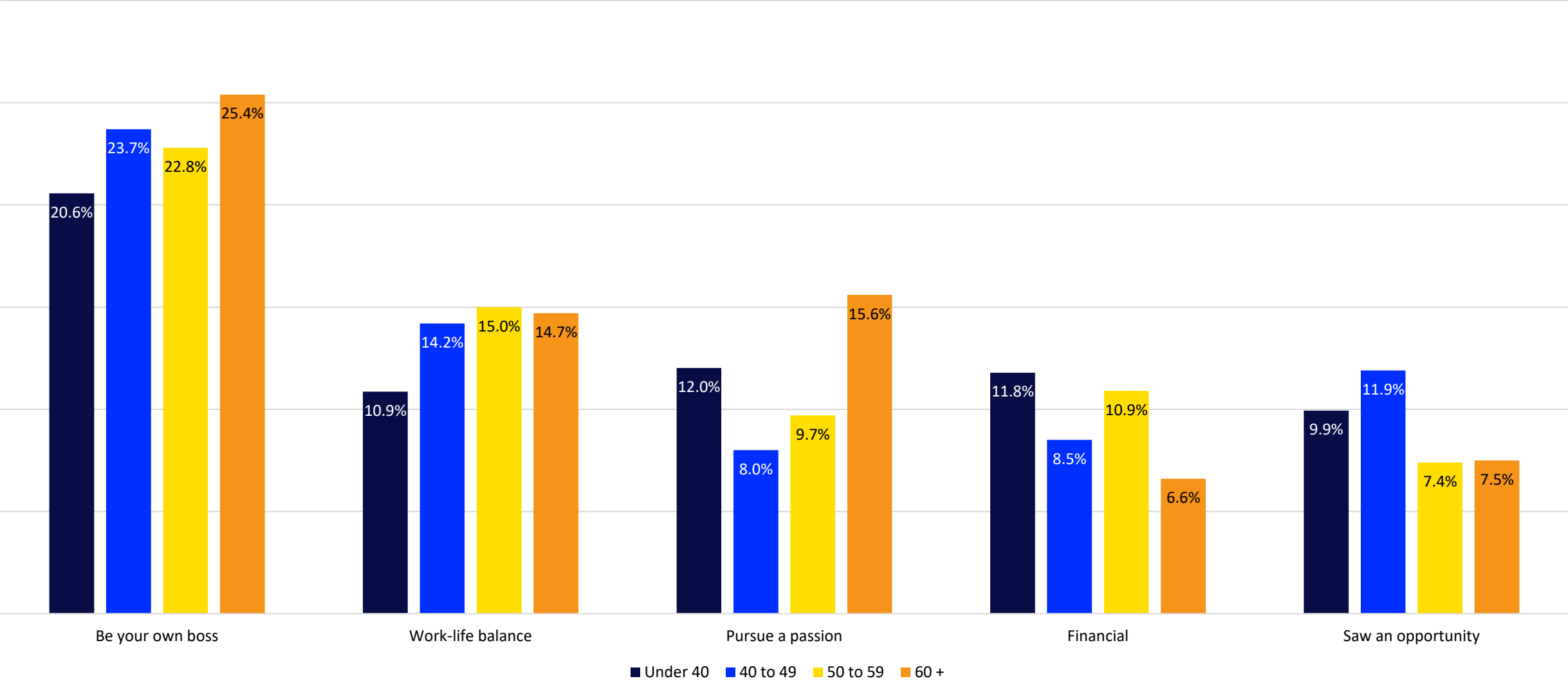
“Being their own boss” remains the leading reason for starting a small business, followed by work–life balance

What was the primary reason for starting your own business

	Most popular	Second most popular	Third most popular
Survey average	Be your own boss / independence (22.6%)	Work-life balance (13.1%)	Pursue a passion or personal interest (11%)
High growth businesses	Be your own boss / independence (15.1%)	Financial (14.8%)	Work-life balance (12.0%)
Businesses that were unchanged or shrank in 2024	Be your own boss / independence (27.1%)	Work-life balance (13.9%)	Pursue a passion or personal interest (9.7%)
Developed economies	Be your own boss / independence (27.4%)	Work-life balance (14.9%)	Pursue a passion or personal interest (12%)
Developing economies	Be your own boss / independence (19%)	Work-life balance (11.8%)	Financial (11.5%)

Primary motivations for starting a business show little variation by age of owner

Primary motivation for starting a business by age of business owner



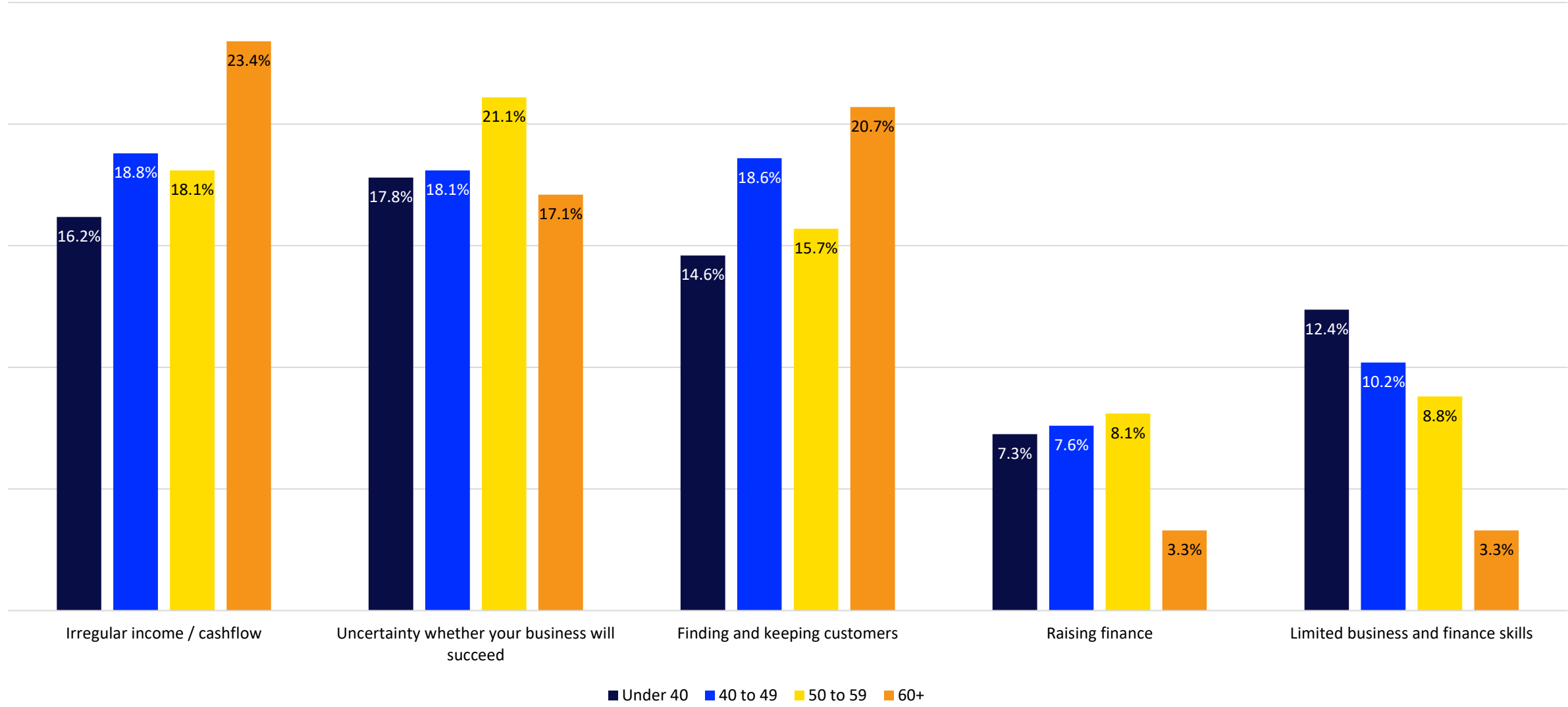
When starting a business, small business owners' concerns centre on income volatility and cash flow rather than regulation

What was your biggest concern when you started your business

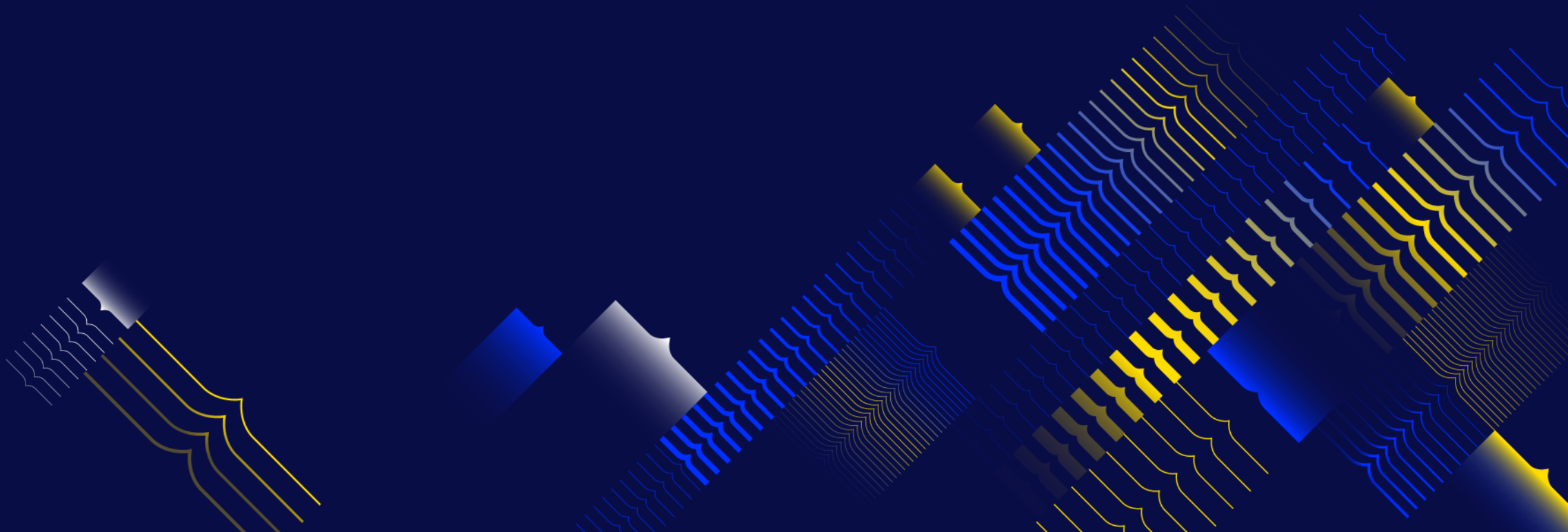
	Most popular concern	Second most popular concern	Third most popular concern	Regulatory concerns
Survey average	Irregular income / cash flow (18.3%)	Uncertainty whether your business will succeed (18.2%)	Finding and keeping customers (17.5%)	Keeping up with regulation / regulatory hurdles to starting a business (2.9%)
High growth businesses	Finding and keeping customers (19.2%)	Uncertainty whether your business will succeed & finding good staff (12%)	Finding good partners or collaborators (11.3%)	Keeping up with regulation / regulatory hurdles to starting a business (5.2%)
Businesses that were unchanged or shrank in 2024	Irregular income / cash flow (24.2%)	Uncertainty whether your business will succeed (19.2%)	Finding and keeping customers (18%)	Keeping up with regulation / regulatory hurdles to starting a business (2.3%)
Developed economies	Irregular income / cash flow (25.6%)	Uncertainty whether your business will succeed (18.3%)	Finding and keeping customers (17.1%)	Keeping up with regulation / regulatory hurdles to starting a business (3.6%)
Developing economies	Uncertainty whether your business will succeed (18.1%)	Finding and keeping customers (17.8%)	Limited business and finance skills (13.2%)	Keeping up with regulation / regulatory hurdles to starting a business (2.4%)

Start-up concerns show little variation different across owner age groups

Primary concern when you first started your business – by age of business owner

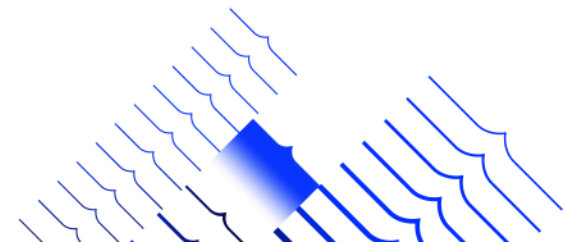
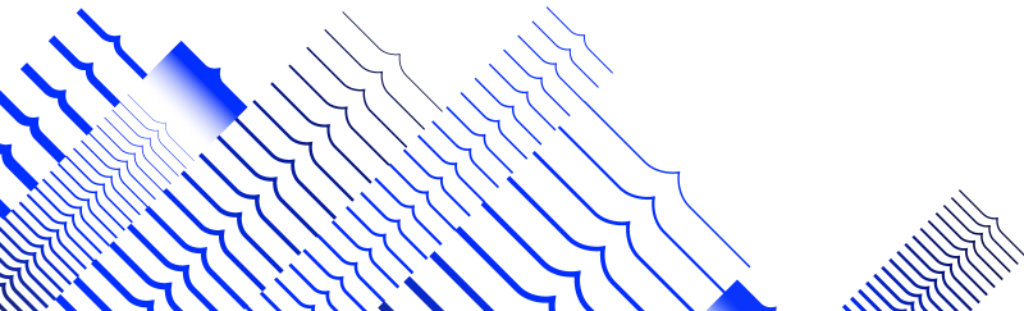


Small business risk appetite



What is the risk appetite of small businesses

- Small business owners in developing markets display greater risk appetite than their counterparts in developed markets, who are more likely to be risk-averse
- Risk aversion increases with age, with older business owners exhibiting higher levels of risk-averse behaviour
- More established small businesses are also more likely to be risk-averse than younger firms
- Risk aversion and intuition-based decision-making is most prevalent among micro-business owners



Small business owners in developing markets display greater risk appetite than their counterparts in developed markets

What is your attitude to risk?

	Most popular attitude to risk	Second most popular attitude to risk	Third most popular attitude to risk
Survey average	Risk averse (21.5%)	Prefer taking risks consistent with your long-term vision for your business, accept short-term setbacks and are willing to try unproven technologies and markets (18.4%)	Prefer to identify risks, develop comprehensive risk strategies and have back up plans (17.1%)
High growth businesses	Prefer taking risks consistent with your long-term vision for your business, accept short-term setbacks and are willing to try unproven technologies and markets (23%)	Prefer to identify risks, develop comprehensive risk strategies and have back up plans (19.2%)	Prefer to adjust your risk strategies to the circumstances (17.2%)
Businesses that were unchanged or shrank in 2025	Risk averse (29%)	Prefer to rely on intuition and instincts in making decisions – 18.6%	Prefer to adjust your risk strategies to the circumstances (15.6%)
Developed economies	Risk averse (29.4%)	Prefer to rely on intuition and instincts in making decisions (17.7%)	Prefer to adjust your risk strategies to the circumstances (17.5%)
Developing economies	Prefer taking risks consistent with your long-term vision for your business, accept short-term setbacks and are willing to try unproven technologies and markets (23.1%)	Prefer to identify risks, develop comprehensive risk strategies and have back up plans (19.5%)	Prefer to adjust your risk strategies to the circumstances (15.8%)

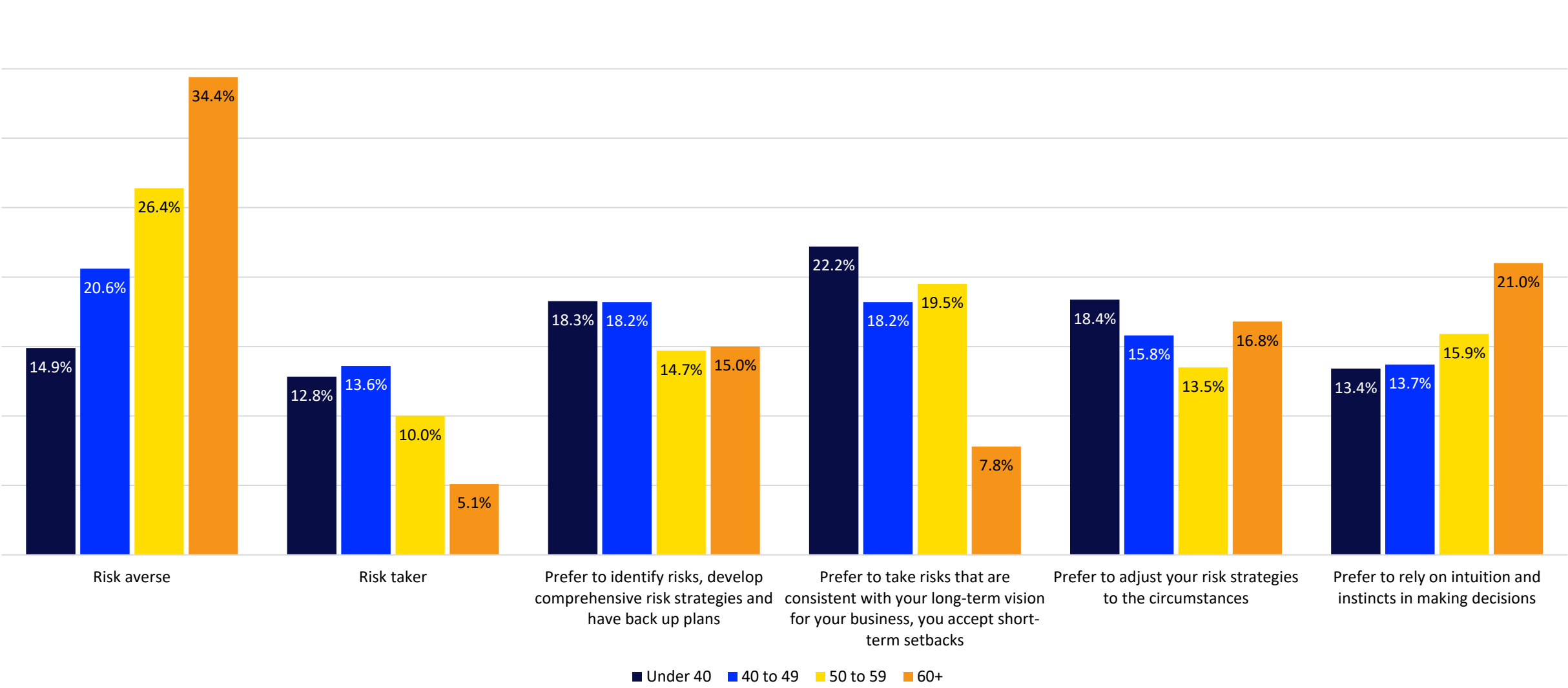
Risk appetite by market

Small business owners in developing economies show higher risk appetite, while those in developed economies are more risk-averse

	Most popular attitude to risk	Second most popular attitude to risk	Third most popular attitude to risk
Australia	Risk averse (32.7%)	Adaptive risk manager (19.4%)	Solo risk taker (18.2%)
Chinese Mainland	Visionary risk taker (40.6%)	Adaptive risk manager (16.5%)	Risk taker & strategic risk manager (13%)
Hong Kong	Risk averse (30.2%)	Risk taker (16%)	Adaptive risk manager & solo risk taker (14.2%)
India	Solo risk taker (19%)	Strategic risk manager (18.6%)	Risk taker (16.7%)
Indonesia	Strategic risk manager (25.7%)	Risk averse (21.7%)	Visionary risk taker (16.8%)
Malaysia	Risk averse (23%)	Strategic risk manager (19.8%)	Solo risk taker (18.2%)
New Zealand	Risk averse (29.7%)	Solo risk taker (20.7%)	Adaptive risk manager (16.8%)
Philippines	Strategic risk manager (25%)	Risk taker (16.2%)	Risk averse, visionary risk taker & solo risk taker (14.8%)
Singapore	Risk averse (25.3%)	Adaptive risk manager (22.6%)	Strategic risk manager (18.5%)
Taiwan	Risk averse (25.7%)	Solo risk taker (20.2%)	Risk taker & visionary risk taker (14.8%)
Vietnam	Visionary risk taker (36.8%)	Adaptive risk manager (16.8%)	Strategic risk manager (15.8%)

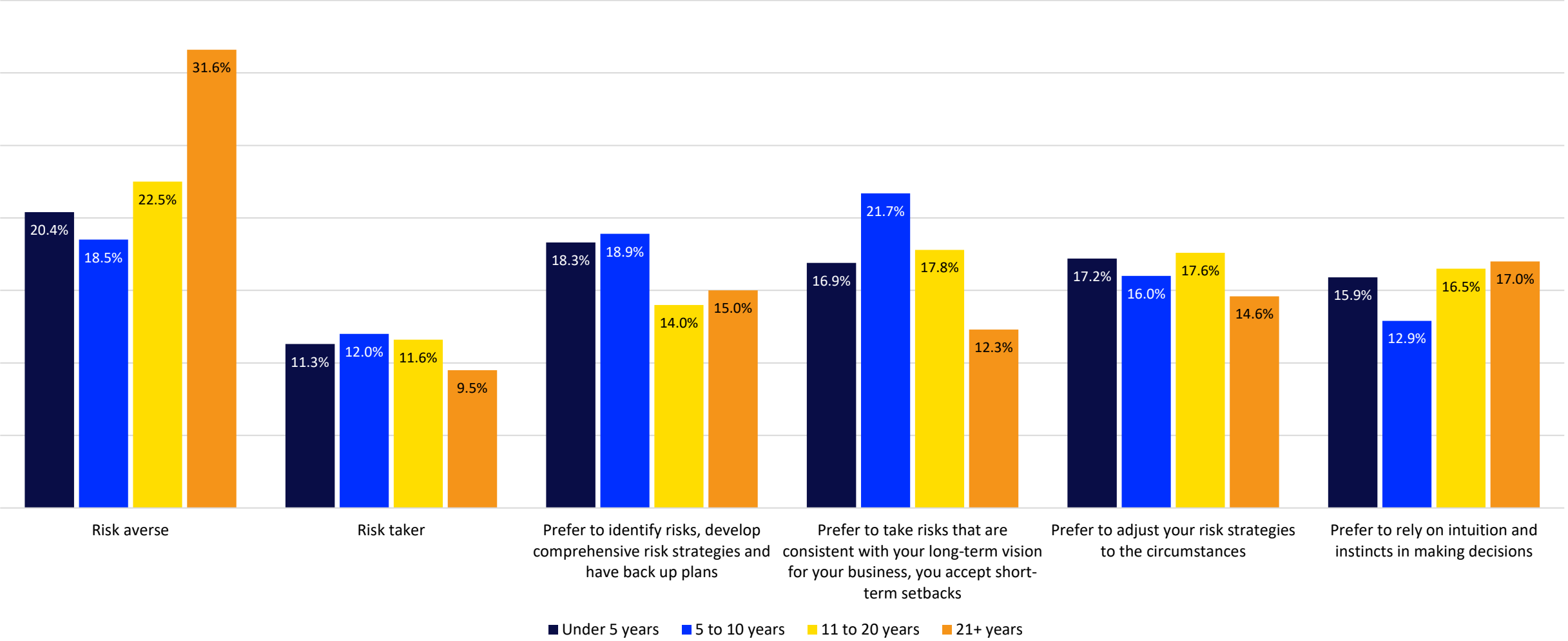
Older small business owners exhibit higher levels of risk aversion

Risk profile of small businesses by age of business owner



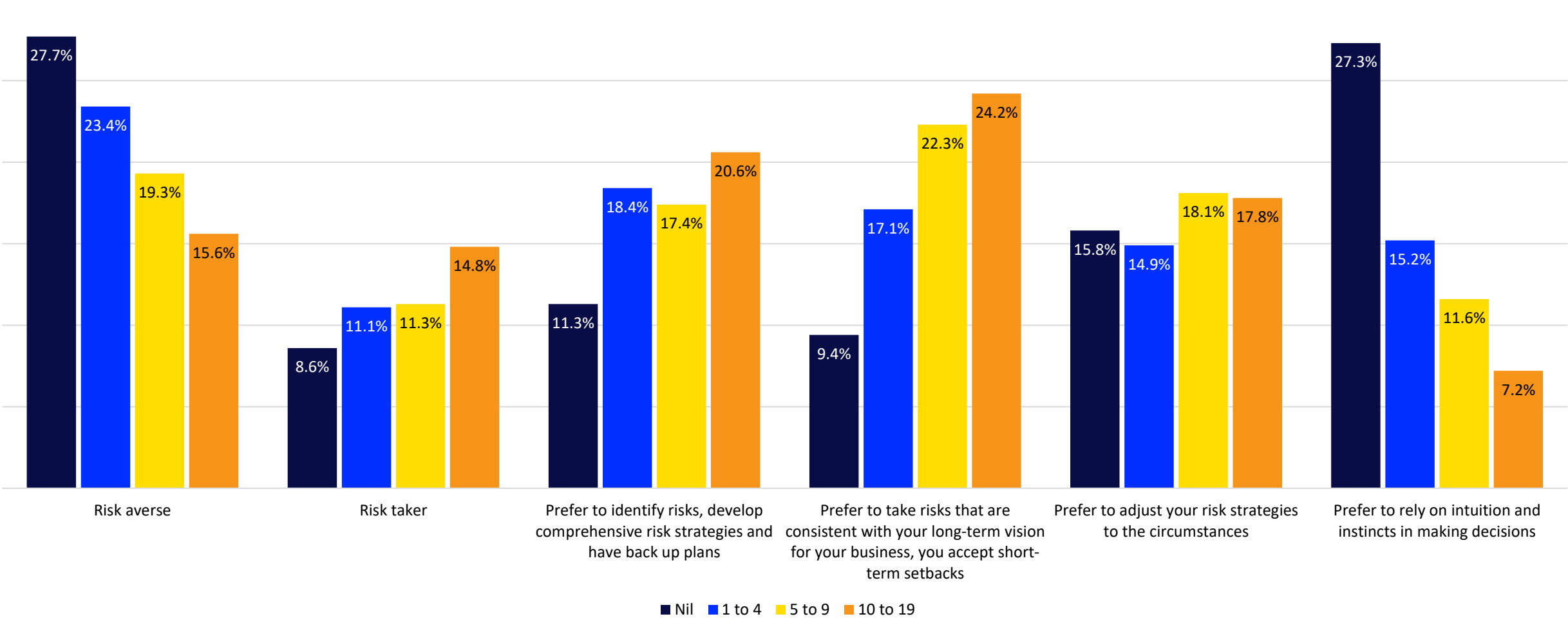
More established small businesses exhibit higher levels of risk aversion

Risk profile of small businesses by age of business

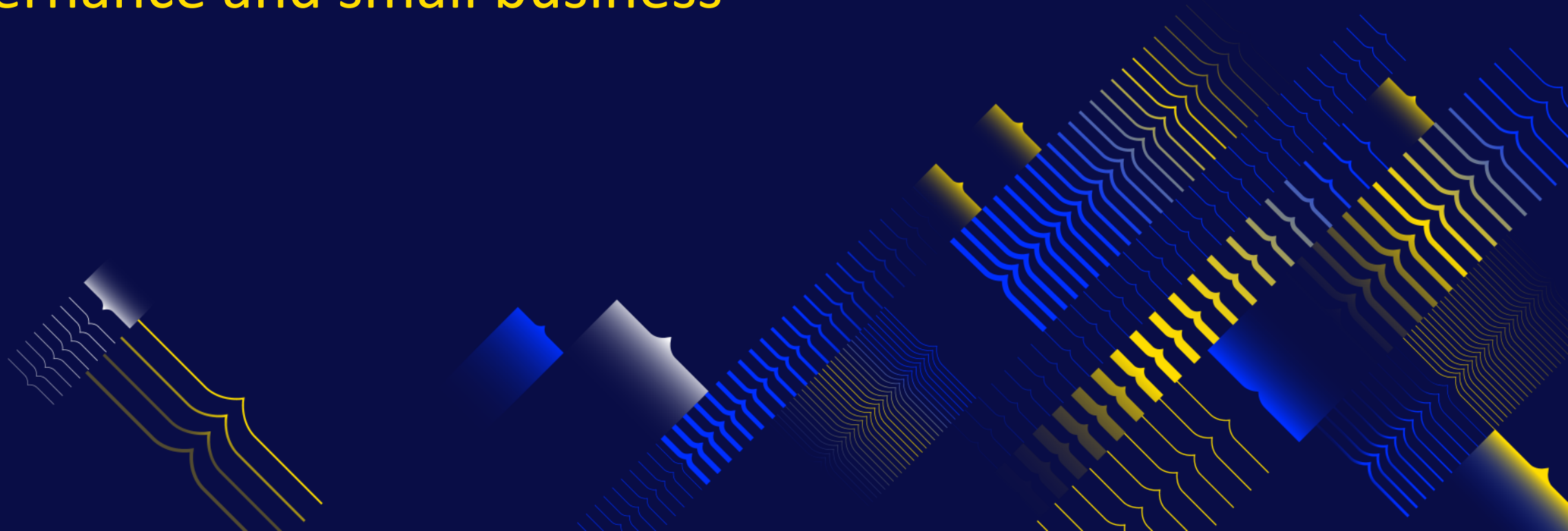


Risk aversion and intuition-based decision-making are more common among micro-business owners

Risk profile of small businesses by number of employees

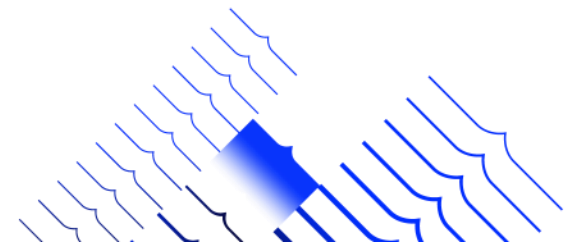
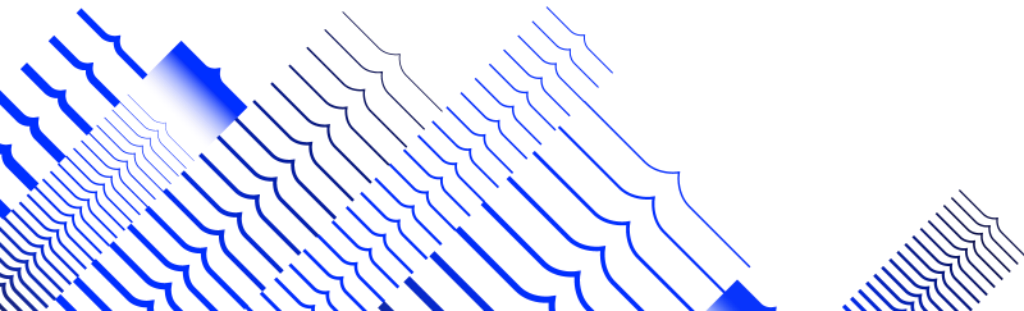


Environmental, social and
governance and small business



Where small business focused their ESG efforts in 2025

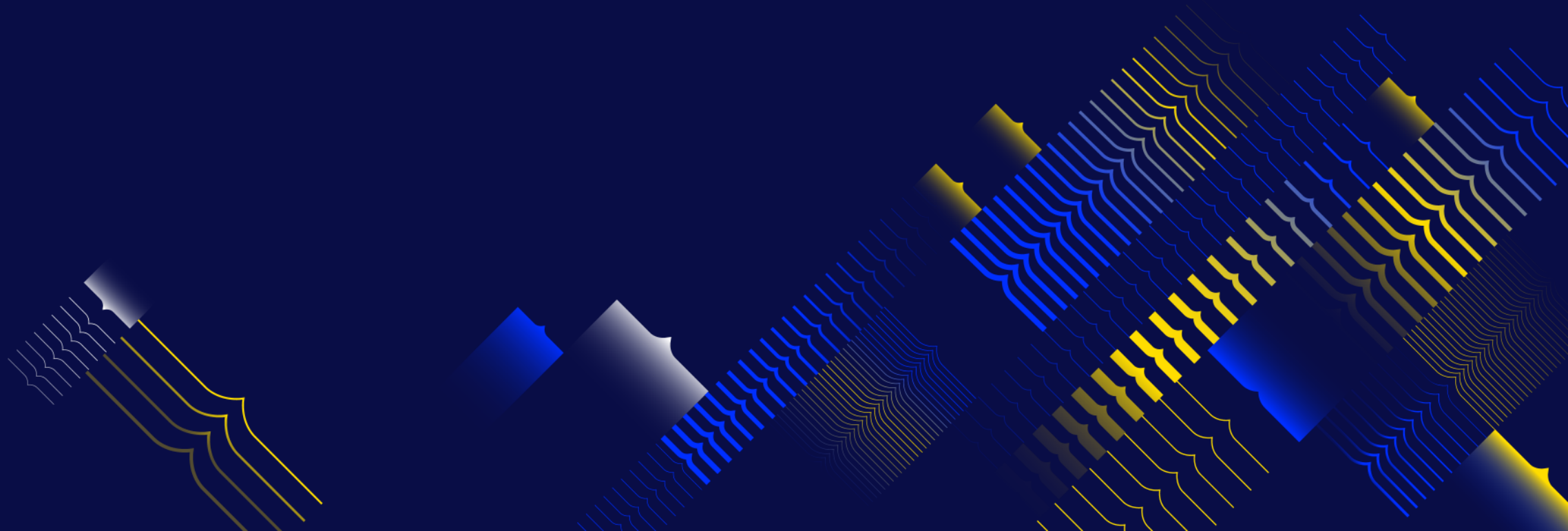
- Staff health and safety is the most common ESG activity across the region, ranking first in most markets.
- Supply chain sustainability is consistently the second ESG priority area, reflecting growing pressure to manage upstream environmental and social risks.
- Business diversity and inclusion remains a top-three ESG priority, particularly in the Chinese Mainland, India, Hong Kong and Singapore.
- Environmental management and resource monitoring, such as EMS adoption and energy/water use tracking, are emerging but less widespread priorities, concentrated in a small number of markets.
- Overall, small businesses prioritise people-focused ESG measures first, followed by supply-chain improvements, while environmental systems continue to develop.



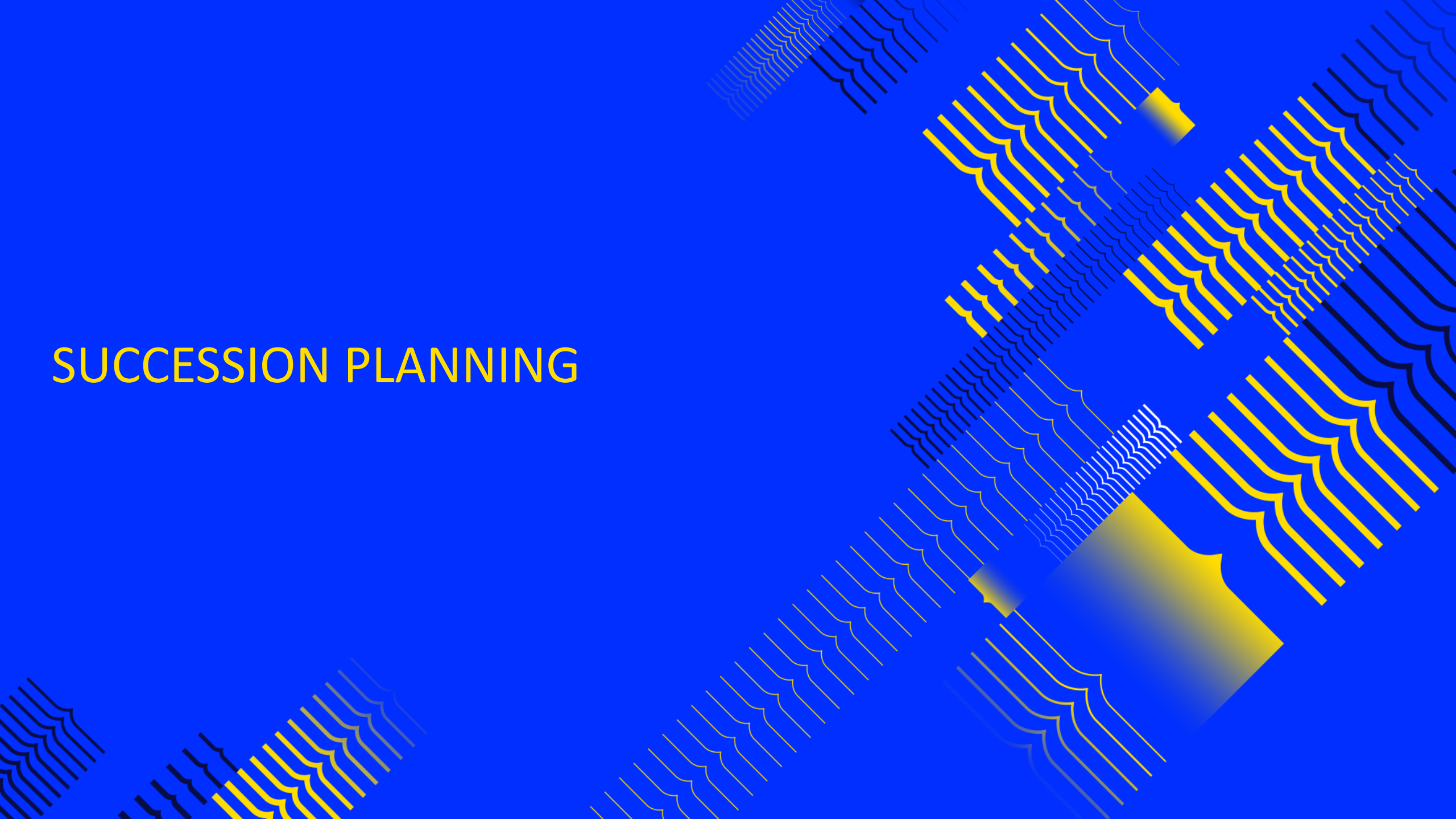
Top three ESG practices in 2025 – by market

	Most popular	Second most popular	Third most popular
Survey average	Staff health and safety policy (32.6%)	Supply chain sustainability (28.9%)	Business diversity and inclusion policy (28.2%)
Australia	Staff health and safety policy (21.1%)	Supply chain sustainability (15.1%)	Ethics and compliance policy (13.5%)
Chinese Mainland	Business diversity and inclusion policy (38.7%)	Environmental management system (EMS) adoption (35.6%)	Supply chain sustainability (33.7%)
Hong Kong	Supply chain sustainability (37%)	Business diversity and inclusion policy (36.7%)	Staff health and safety policy (35.1%)
India	Business diversity and inclusion policy (38.6%)	Staff health and safety policy (38.2%)	Supply chain sustainability (35.5%)
Indonesia	Staff health and safety policy (29.3%)	Supply chain sustainability (25.4%)	Business diversity and inclusion policy (24.4%)
Malaysia	Staff health and safety policy (30.3%)	Ethics and compliance policy (26.1%)	Supply chain sustainability (24.8%)
New Zealand	Staff health and safety policy (24.9%)	Energy and water use monitoring (12.6%)	Supply chain sustainability & ethics and compliance policy (10.7%)
Philippines	Staff health and safety policy (36.8%)	Supply chain sustainability (35.8%)	Energy and water use monitoring (25.2%)
Singapore	Staff health and safety policy (32.5%)	Supply chain sustainability (31.8%)	Business diversity and inclusion policy (31.5%)
Taiwan	Business diversity and inclusion policy (26.7%)	Staff health and safety policy (26.4%)	Ethics and compliance policy (22.8%)
Vietnam	Staff health and safety policy (54.5%)	Supply chain sustainability (44.5%)	Ethics and compliance policy (42.6%)

Other results

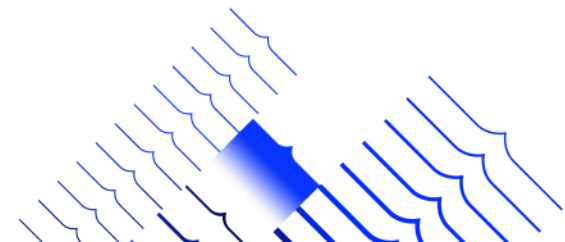
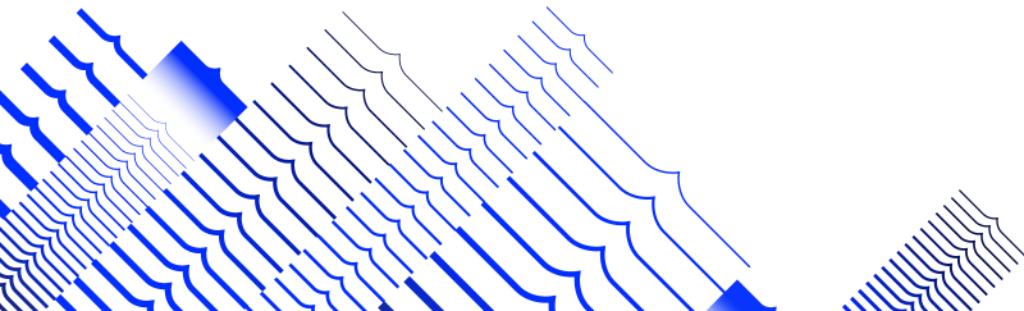


SUCCESSION PLANNING



Small business owners exit/succession planning

- Across all business types and economies, many small business owners lack a clear succession or exit plan. Where plans do exist, they are most often informal or family-based, rather than structured
- Nearly half of small business owners have no succession or exit plan, regardless of growth profile or geography
- Even among high-growth businesses, succession planning remains underdeveloped
- Planning tends to be reactive rather than strategic, particularly for businesses that are stagnating or shrinking
- **Why this matters for CPAs**
 - There is a clear opportunity for CPAs to advise small business owners on the value of succession and exit planning and guide them through the process
 - Succession and exit planning should be treated as a core business strategy conversation, not just a late-stage or end-of-business issue
 - CPAs are well placed to help small business owners move from intent to structured, actionable planning



Succession and exit planning remains underdeveloped across all markets, with most plans informal rather than structured

What is the exit/succession plan for your business?

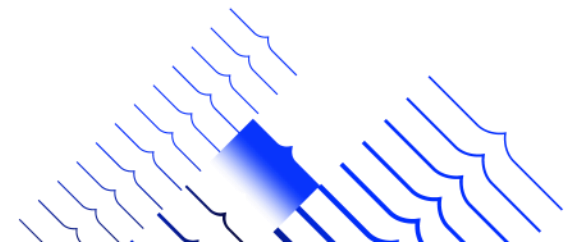
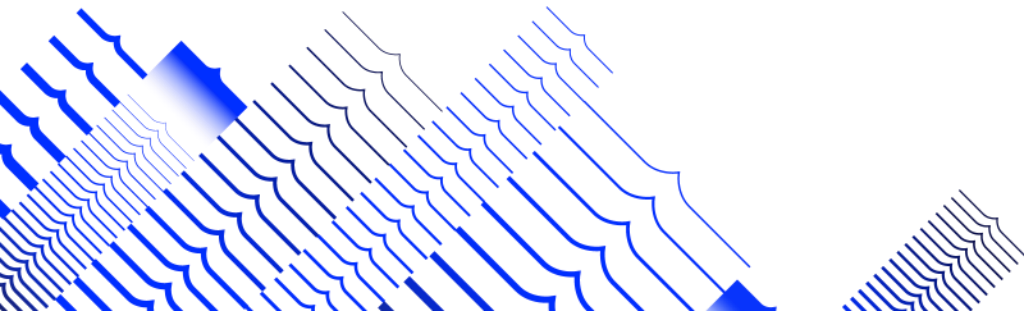
	Most popular	Second most popular	Third most popular
Survey average	I don't have a succession or exit plan (46.4%)	I plan to transfer my business to a family member (11.4%)	I plan to close the business and keep any assets (6.5%)
High growth businesses	I don't have a succession or exit plan (39.5%)	I plan to transfer my business to a family member (14.4%)	I plan to sell my business in the open market (8.2%)
Businesses that were unchanged or shrank in 2024	I don't have a succession or exit plan (47.5%)	I plan to close the business and keep any assets (9.9%)	I plan to transfer my business to a family member (7.8%)
Developed economies	I don't have a succession or exit plan (46.4%)	I plan to transfer my business to a family member (10.2%)	I plan to close the business and keep any assets (10.1%)
Developing economies	I don't have a succession or exit plan (46.3%)	I plan to transfer my business to a family member (12.2%)	I plan to sell most of the business but retain some shares (6.9%)

IMPORTANCE OF CASH SALES FOR SMALL BUSINESSES

The background features a vibrant blue color with a complex pattern of overlapping, wavy lines in white and yellow. These lines create a sense of movement and depth. Several large, semi-transparent yellow and white geometric shapes, resembling stylized letters or symbols, are scattered across the composition, adding to the abstract and modern aesthetic.

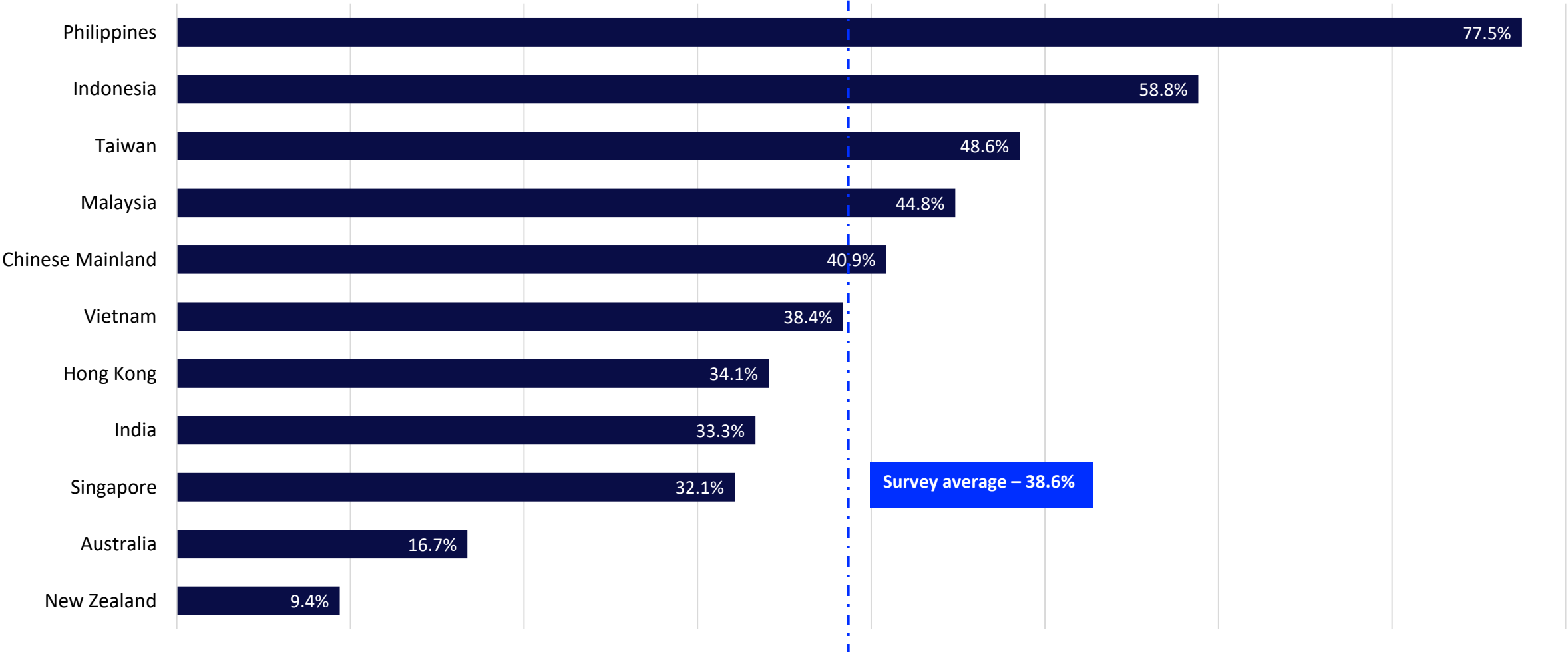
The importance of cash sales to small businesses

- Cash sales has declined across most markets compared with previous years, and this shift does not appear to have a direct impact on business growth.
- Significant market variation remains: the Philippines, Vietnam and India continue to record high levels of cash-based sales, while Australia, New Zealand and Singapore show much lower levels of cash sales.
- Younger business owners are far more reliant on cash sales, with cash sales dropping sharply among owners aged 60 and over.
- Younger businesses are also more likely to receive half or more of their sales in cash compared with more established firms.
- Business size has little influence on the levels of cash sales, with reliance broadly similar regardless of number of employees.
- Industries with high reliance on cash sales tend to be those characterised by frequent small transactions, in-person services, or rural and seasonal operations — such as agriculture, hospitality, education and health services, and arts and recreation.



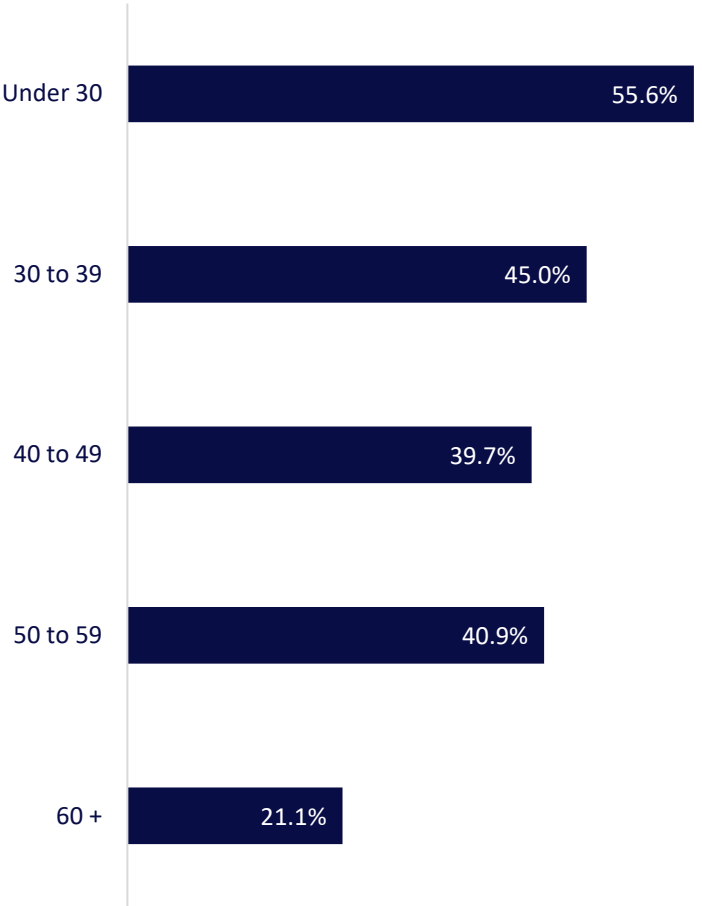
The Philippines continues to record the highest proportion of small businesses receiving more than 50 per cent of their sales in cash

Businesses that received 50 per cent or more of their sales in cash – by market and over time

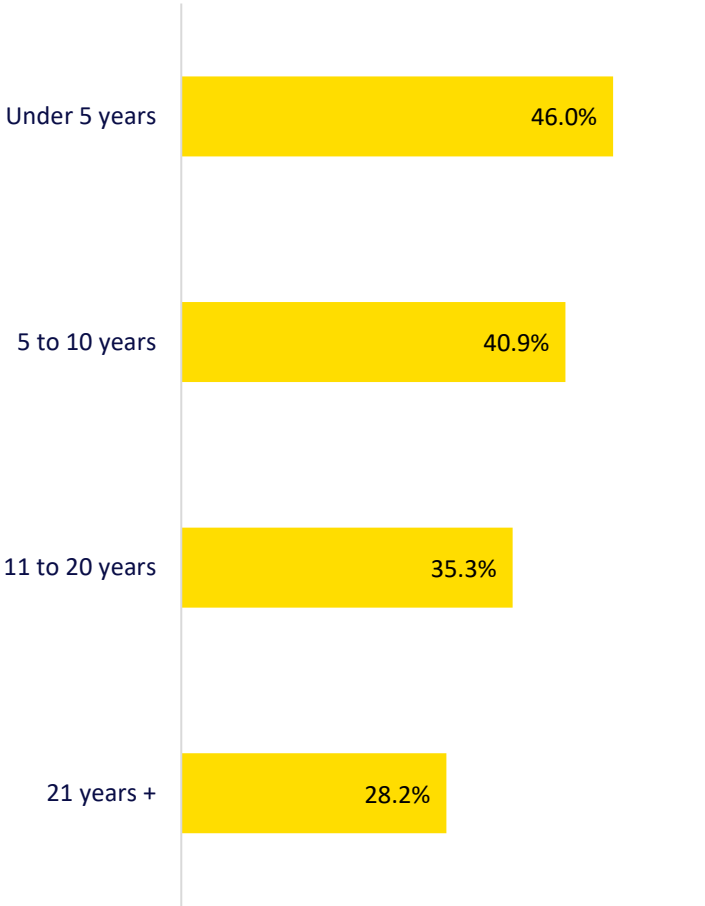


The likelihood of relying heavily on cash sales is much lower among older respondents and more established businesses

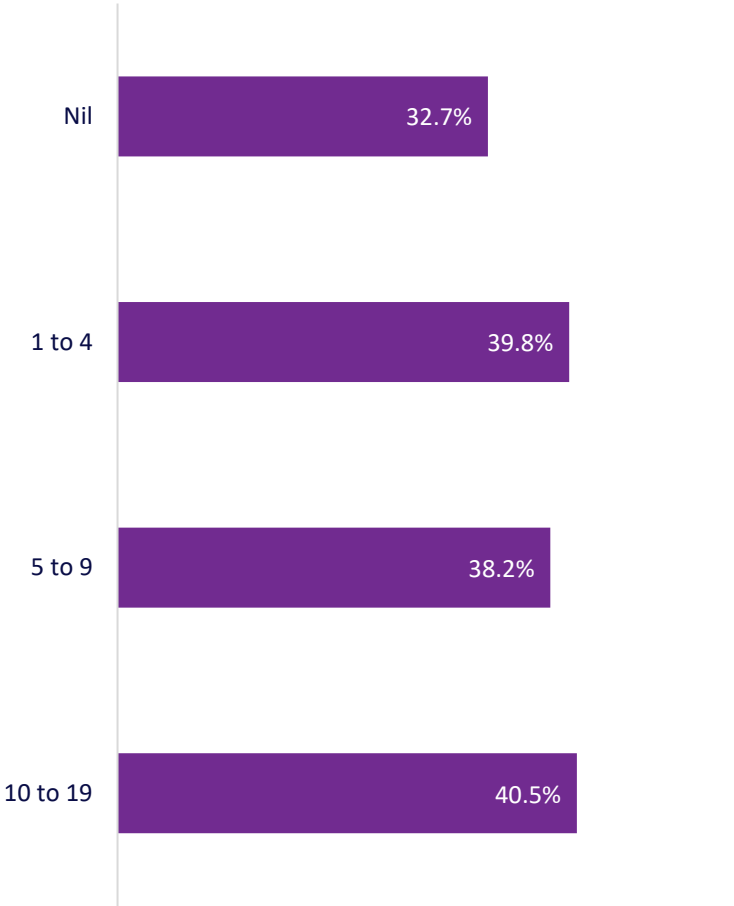
Businesses that received 50 per cent or more of their sales in cash – by age of business owner



Businesses that received 50 per cent or more of their sales in cash – by age of business



Businesses that received 50 per cent or more of their sales in cash – by number of employees



Top five industries that received 50 per cent or more of their sales in cash

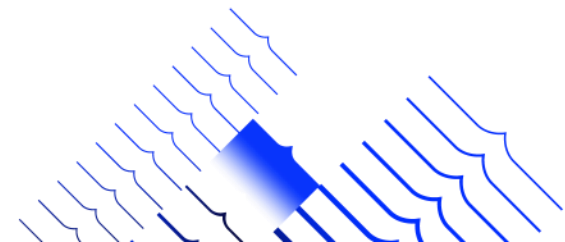
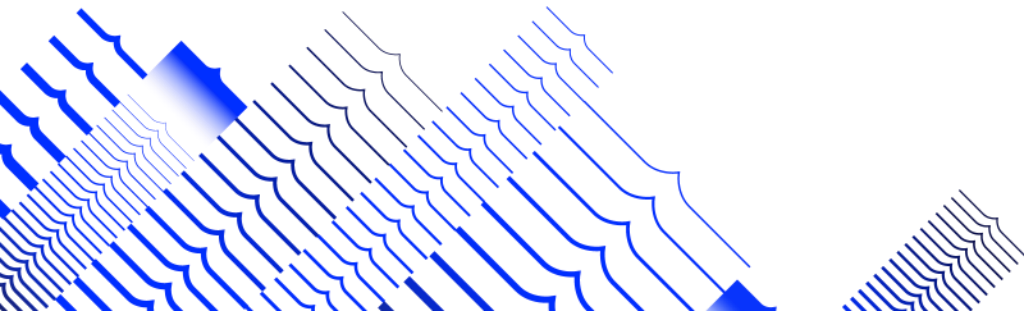
1. Agriculture, Forestry And Fishing – 51.5%
2. Accommodation and food services– 47.8%
3. Banking, finance or insurance – 47.0%
4. Education and training & health care and social assistance – 40.8%
5. Arts and recreation services – 39.2%

The background features a vibrant blue color with a complex pattern of overlapping, wavy lines in white and yellow. These lines create a sense of movement and depth. Several semi-transparent yellow geometric shapes, including squares and rectangles, are scattered across the composition, some appearing to be layered over the wavy patterns.

SMALL BUSINESS DEMOGRAPHICS

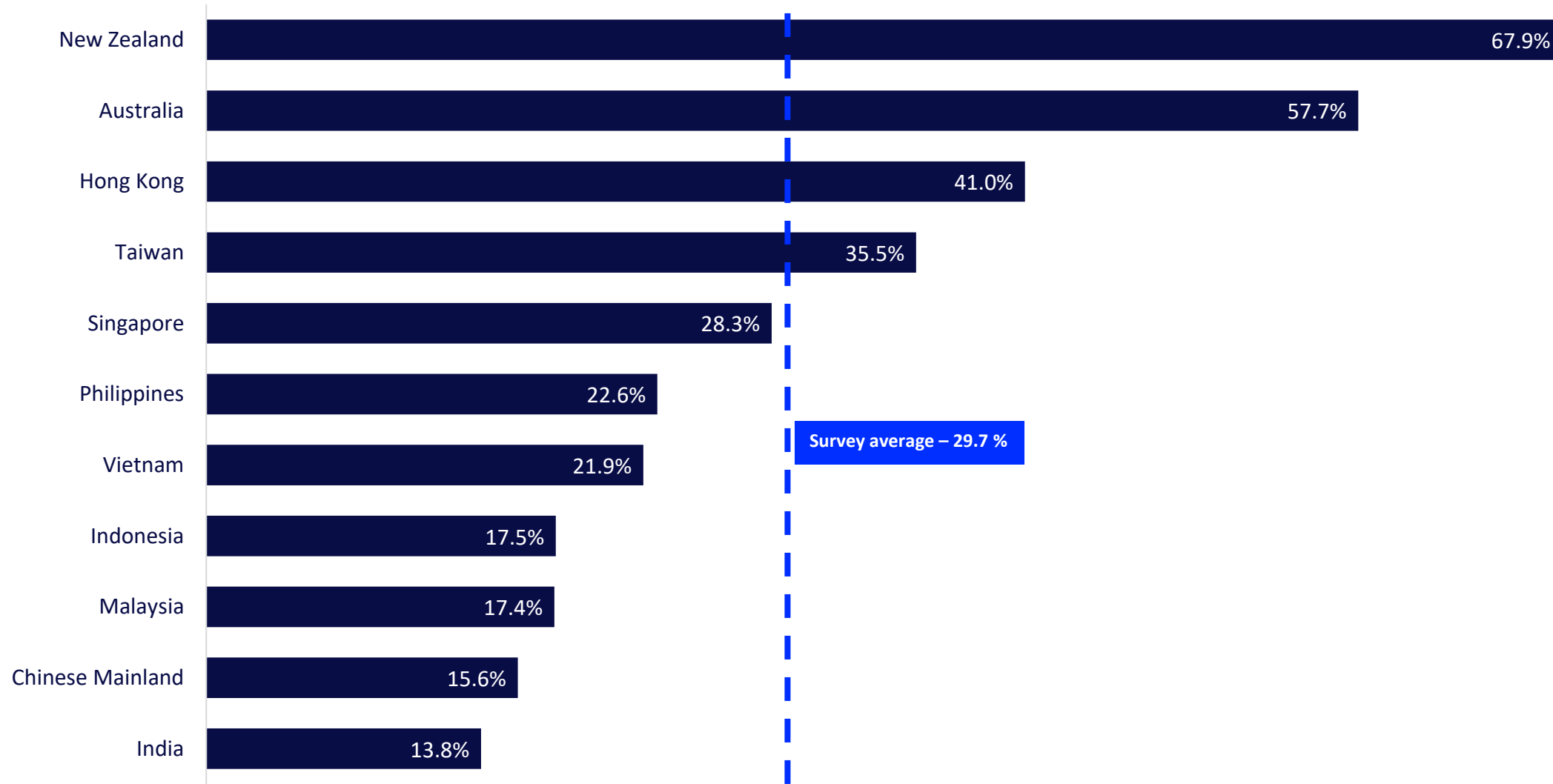
Small business demographics

- New Zealand has the oldest small business owner profile, with more than two-thirds of owners aged 50 and over. Australia has a similarly older owner demographic, with both countries well above the regional average. By contrast, India, Chinese Mainland and Indonesia have the youngest owner profiles.
- Younger business owners are significantly more likely to report business growth, while older owners are more likely to report that their business shrank. The likelihood of strong growth declines steadily with owner age.
- Despite weaker growth outcomes, older business owners report higher satisfaction with running their business, while dissatisfaction remains low across all age groups.
- Hong Kong and New Zealand have the highest share of very mature businesses (21+ years), while Vietnam and Indonesia are dominated by younger firms, mostly established less than ten years. Markets with older business profiles tend to exhibit slower growth dynamics.
- Australia and New Zealand have the highest proportions of sole proprietors.
- Across all markets, survey respondents are predominantly business owners rather than hired executives, with professional managers and CFOs representing only a small minority.

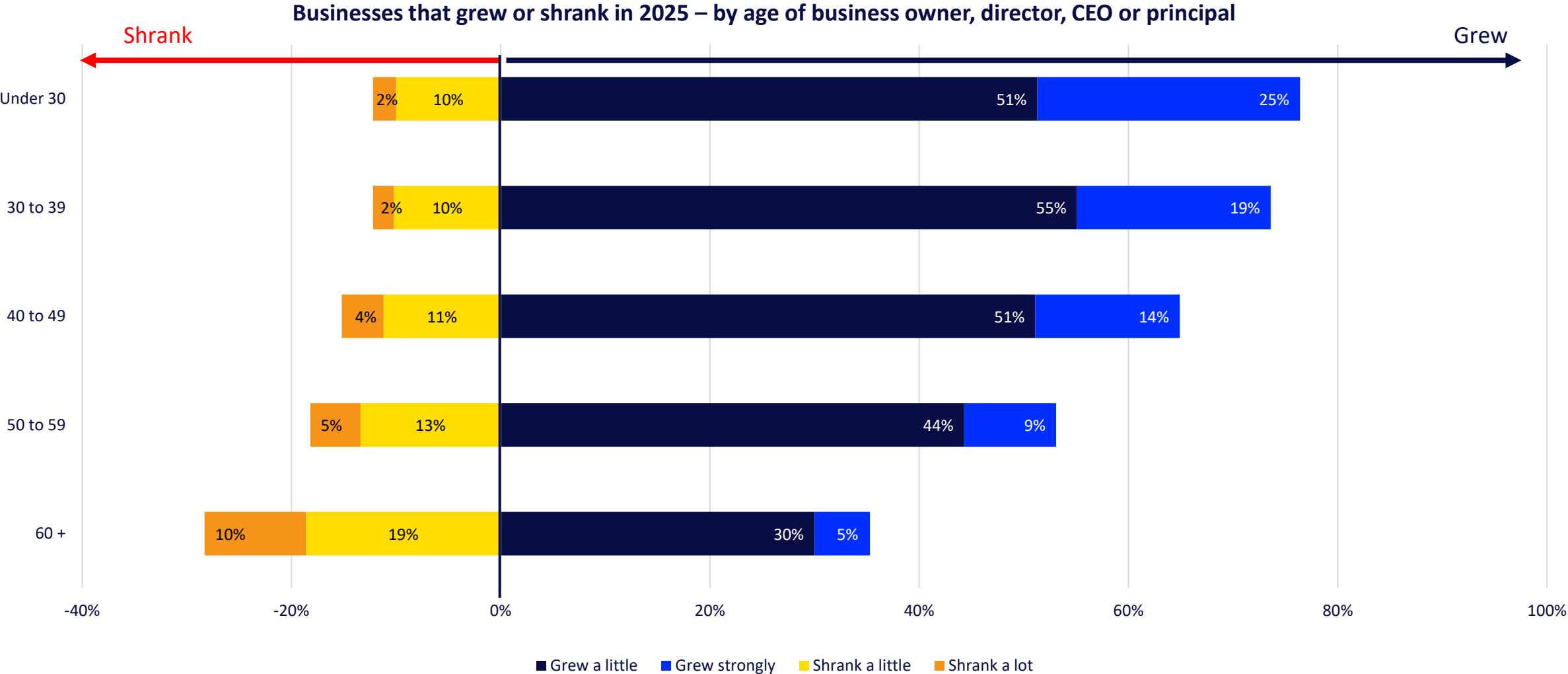


New Zealand small business owners are the most likely to be 50 and over

Percentage of business owners, directors, CEOs and principals aged 50 and over – by market

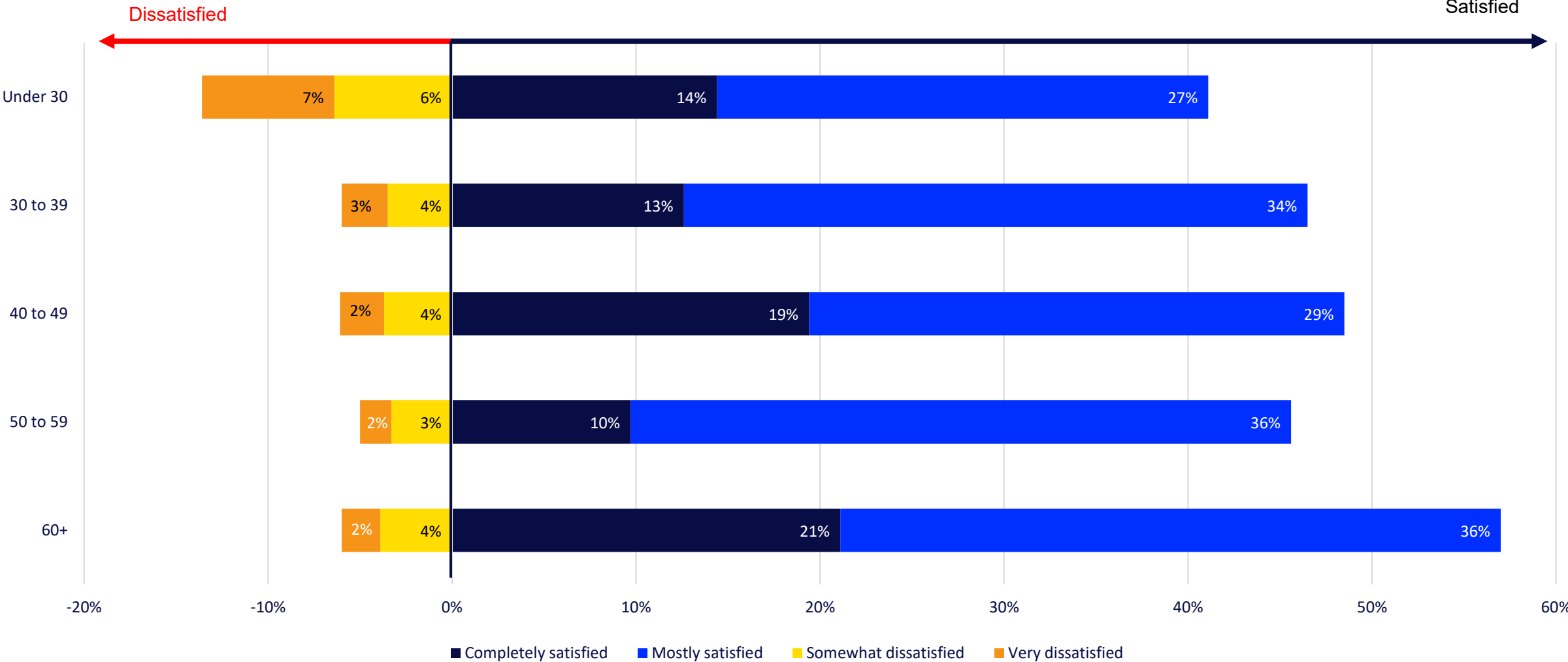


Younger business owners are significantly more likely to report their business grew in 2025, while older business owners are more likely to report their business shrank

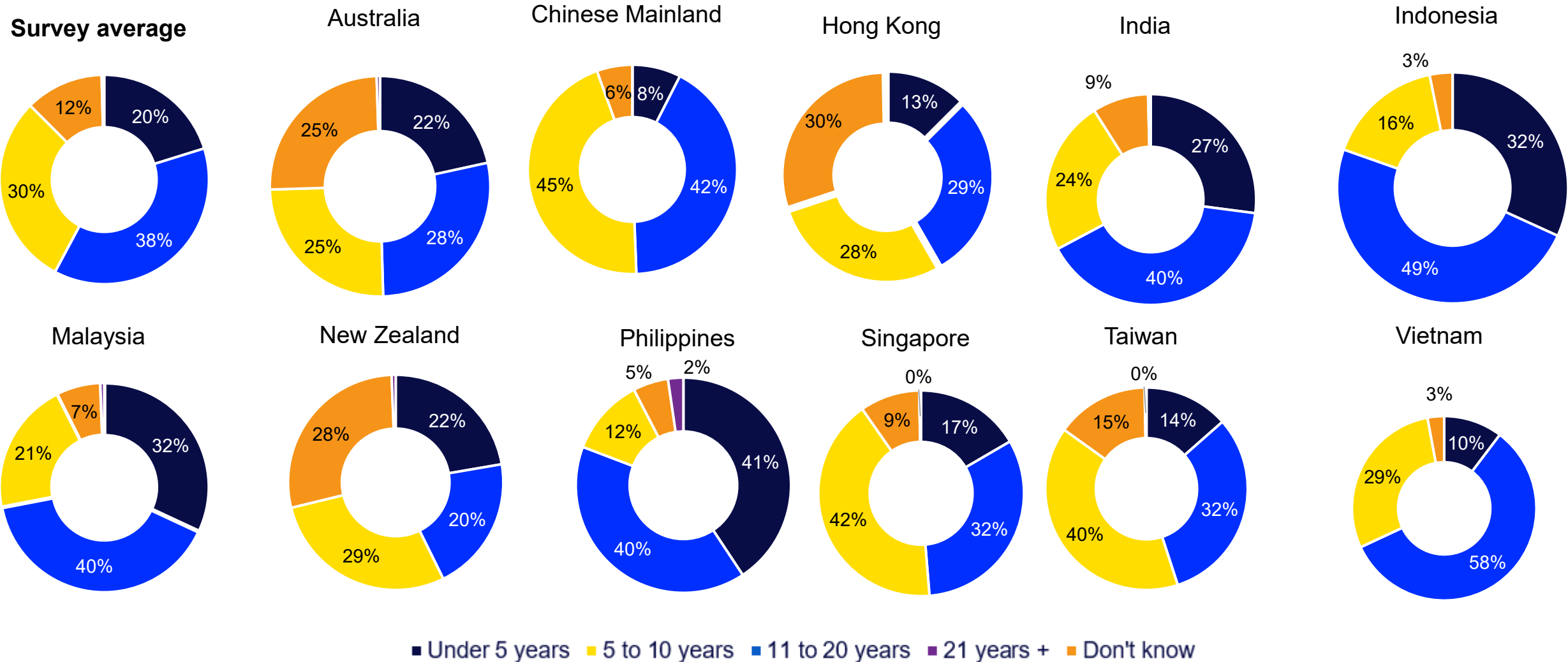


Despite weaker growth outcomes, older business owners report higher satisfaction with business ownership

Share of business owners satisfied with running their business — by owner's age



New Zealand, Hong Kong and Australia have the highest share of small businesses established for over 20 years, while the Philippines has the highest share established for less than five years



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